

April 16, 1997

Request for Proposals (RFP)  
RFP L/OIG-97-02

Ladies and Gentlemen:

You are invited to submit a proposal to provide professional accounting and auditing services, supportive of the Office of Inspector General (OIG), U.S. Department of Labor and other Offices of Inspector General. Your proposal should be prepared in accordance with the requirements of this solicitation, which consists of the following checked sections:

PART I - THE SCHEDULE

<u>/X/</u>	<u>SEC.</u>	<u>DESCRIPTION</u>
//	A	Solicitation/Contract Form
/X/	B	Supplies or Services and Prices/Costs
/X/	C	Description/Specifications/Work Statement
//	D	Packaging and Marking
/X/	E	Inspection and Acceptance
/X/	F	Deliveries or Performance
/X/	G	Contract Administration Data
/X/	H	Special Contract Requirements

PART II - CONTRACT CLAUSES

/X/	I	Contract Clauses
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PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER  
ATTACHMENTS

/X/	J	List of Attachments
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PART IV - REPRESENTATIONS AND INSTRUCTIONS

/X/	K	Representations, Certifications and Other Statements of Offerors
/X/	L	Instructions, Conditions and Notices to Offerors or Quoters
/X/	M	Evaluation Factors for Award

The following information is brought to the attention of all offerors:

1. Offerors must submit all questions regarding this solicitation in writing NO LATER THAN 15 CALENDAR DAYS AFTER THE DATE OF THIS RFP, 3:00 PM EDT to the following:

Ms. Kathleen T. Young  
Contracting Officer  
Office of Inspector General  
U.S. Department of Labor  
Room S-5508  
200 Constitution Avenue, N.W.  
Washington, D.C. 20210

Phone: (202) 219-7869  
FAX: (202) 219-9013  
Internet: ktyoung@mindspring.com

2. This procurement is a 100% small business set aside. Proposals under this procurement are solicited from small concerns only and this procurement is to be awarded only to small business concerns. Proposals received from firms which are not small business concerns shall be considered non-responsive.

A "small business concern" is a concern, including its affiliates, which is independently owned and operated, is not dominant in the field of operation in which it is proposing on Government contracts, and can further qualify under the criteria set forth in regulations of the Small Business Administration (13 CFR 121.3-8). In addition to meeting these criteria, a manufacturer or a regular dealer submitting proposals in his own name must agree to furnish in the performance of the contract end items manufactured or produced in the United States, its possessions, or Puerto Rico, by small business concerns; provided, that this additional requirement does not apply in connection with construction or service contracts.

NOTE: FOR PURPOSES OF THIS PROCUREMENT, CONCERNS RESPONDING TO THIS REQUEST FOR PROPOSALS IS CLASSIFIED AS SMALL IF ITS AVERAGE ANNUAL RECEIPTS FOR ITS PRECEDING THREE FISCAL YEARS DO NOT EXCEED \$6,000,000 [SIC CODE 8721].

3. Each offeror must submit an original plus six (6) copies of its technical proposal and an original plus two (2) copies of its SEPARATELY BOUND business/management proposal. Offerors are cautioned to completely execute all representations, certifications, and other statements of offerors (Section K). **In preparing the proposal please carefully follow the directions in Section L.**

4. To assure that your proposal arrives at the proper place on time, and to prevent opening by unauthorized individuals, your proposals must be identified on the envelope or wrapper as follows:

Proposal submitted in response to  
RFP NO. L/IG 97-02  
Attn: Kathleen T. Young  
Due Date: May 16, 1997  
Due Time: 4:00 P.M. EDT

5. Offerors are encouraged to review FAR provision 52.215-10, "Late Submissions, Modifications, and Withdrawals of Proposals (MAR 1997)". The rules regarding late proposals will be strictly enforced. Therefore, if proposals are hand delivered (which refers to any method of delivery other than that provided by the U.S. Postal Service First Class or Priority Mail) adequate time should be allowed to provide identification to the DOL guard service, obtain clearance to enter the building, take an elevator to the fifth (5<sup>th</sup>) floor, locate the room number, and submit the proposal by the time specified in the solicitation.
6. This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text (FAR 52.252-2.) The full of statement of these provisions may be found on the internet at <http://www.gsa.gov/far/> or upon request, the Contracting Officer will make their full text available.
7. It is anticipated that this solicitation will result in multiple fixed price indefinite quantity/indefinite delivery contracts.
8. The proposal must be signed by an official authorized to bind the offeror, and it shall contain a statement to the effect that the proposal is firm for a period of at least 365 days from the date specified above for the receipt of offers.
9. This solicitation does not commit the Government to pay any costs incurred in the submission of proposals or to contract for the articles or services. It is also brought to your attention that the Contracting Officer is the only individual who can legally commit the Government to the expenditure of public funds in connection with this procurement.
10. Offerors are reminded that information furnished under this solicitation is subject to disclosure under the Freedom of Information Act. However, all items that are confidential to business, or contain trade secrets, proprietary, or personnel information should be clearly marked, since these items may be exempt from disclosure. Although the Office of Inspector General will consider all input provided by Bidders/Offerors, the OIG will make all final determinations regarding the release of materials under the FOIA, the applicability of any exception, in conformity with FAR 24.202.

11. If the offeror received this RFP through the internet and intends to submit a proposal, he/she must confirm receipt by written notification to Kathleen Young or Cheryl D. Wells, at the above address. Failure to do so will result in non-receipt of subsequent amendments.

Sincerely,

Kathleen T. Young  
Contracting Officer

Enclosure

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PART I- THE SCHEDULE  
SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

B.1. LABOR-HOUR RATES

This contract shall be considered to be a fixed price indefinite quantity/indefinite delivery contract (FAR 16.504)

The following categories of labor and levels of effort shall be applicable to work performed under task specifications in PART I, SECTION C, DESCRIPTION/ SPECIFICATIONS/WORK STATEMENT. Reimbursement to the Contractor for the work performed hereunder shall be solely at the hourly rates set forth below except for approved travel performed outside of the Washington Metropolitan Area, as provided in Paragraph B.6, below. With the exceptions noted, the hourly established rates shall include direct and indirect labor, overhead, and profit. (See paragraph C.3. for description of the labor categories.)

The following fixed rates shall apply for payment purposes for the duration of the contract. Please note that the labor hours set forth below are estimates for the periods indicated and exact hours will be determined based upon individual task order as the need for services becomes known. The estimated hours indicate the minimal level of effort in each category that a contractor must be able to provide not what the government is committed to procuring. This estimated direct labor hours will be used for evaluation purposes only.

BASE PERIOD: OCTOBER 31, 1997 - OCTOBER 30, 1998

PERSONNEL CLASSIFICATION	ESTIMATED DIRECT LABOR HOURS	FIXED HOURLY RATE	TOTAL
<u>Accounting and Auditing</u>			
Partner/Principal	1,000	\$_____	\$_____
Audit Manager	2,000	\$_____	\$_____
Senior	3,000	\$_____	\$_____
Staff	6,000	\$_____	\$_____
Information Technology Specialist	1,000	\$_____	\$_____

Audit Specific Specialist

<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>
\$_____	\_____	\$_____	\_____

TOTAL ESTIMATED LABOR COST \$\_\_\_\_\_

For the purpose of evaluation the Government will utilize the average rate for the Min-Max range for the Audit Specific Specialists category (see Part IV, Section M).

**B.2. PRICING AND EFFORT DURING OPTIONAL PERIOD OF PERFORMANCE**

In the event that the Government exercises its options to renew this contract, the following rates/hour and levels of effort shall be applicable for the following categories of labor (FAR 52-17-9.)

**OPTION 1: OCTOBER 31, 1998 - OCTOBER 30, 1999**

PERSONNEL CLASSIFICATION	ESTIMATED DIRECT LABOR HOURS	FIXED HOURLY RATE	TOTAL
<u>Accounting and Auditing</u>			
Partner/Principal	1,000	\$_____	\$_____
Audit Manager	2,000	\$_____	\$_____
Senior	3,000	\$_____	\$_____
Staff	6,000	\$_____	\$_____
Information Technology Specialist	1,000	\$_____	\$_____
Audit Specific Specialist		<u>Min</u> <u>Max</u> \$_____ \_____	<u>Min</u> <u>Max</u> \$_____ \_____

TOTAL ESTIMATED LABOR COST \$\_\_\_\_\_

**OPTION 2: OCTOBER 31, 1999 - OCTOBER 30, 2000**

PERSONNEL CLASSIFICATION	ESTIMATED DIRECT LABOR HOURS	FIXED HOURLY RATE	TOTAL
<u>Accounting and Auditing</u>			

Partner/Principal	1,000	\$_____	\$_____
Audit Manager	2,000	\$_____	\$_____
Senior	3,000	\$_____	\$_____
Staff	6,000	\$_____	\$_____
Information Technology Specialist	1,000	\$_____	\$_____
Audit Specific Specialist		<u>Min</u> <u>Max</u> \$_____ \ _____	<u>Min</u> <u>Max</u> \$_____ \ _____

TOTAL ESTIMATED LABOR COST \$\_\_\_\_\_

OPTION 3: OCTOBER 31, 2000 - OCTOBER 30, 2001

PERSONNEL CLASSIFICATION	ESTIMATED DIRECT LABOR HOURS	FIXED HOURLY RATE	TOTAL
<u>Accounting and Auditing</u>			
Partner/Principal	1,000	\$_____	\$_____
Audit Manager	2,000	\$_____	\$_____
Senior	3,000	\$_____	\$_____
Staff	6,000	\$_____	\$_____
Information Technology Specialist	1,000	\$_____	\$_____
Audit Specific Specialist		<u>Min</u> <u>Max</u> \$_____ \ _____	<u>Min</u> <u>Max</u> \$_____ \ _____

TOTAL ESTIMATED LABOR COST \$\_\_\_\_\_

OPTION 4: OCTOBER 31, 2001 - OCTOBER 30, 2002

PERSONNEL CLASSIFICATION	ESTIMATED DIRECT LABOR HOURS	FIXED HOURLY RATE	TOTAL
<u>Accounting and Auditing</u>			

Partner/Principal	1,000	\$_____	\$_____
Audit Manager	2,000	\$_____	\$_____
Senior	3,000	\$_____	\$_____
Staff	6,000	\$_____	\$_____
Information Technology Specialist	1,000	\$_____	\$_____
Audit Specific Specialist		<u>Min</u> <u>Max</u> \$_____ \ _____	<u>Min</u> <u>Max</u> \$_____ \ _____

TOTAL ESTIMATED LABOR COST \$\_\_\_\_\_

### B.3. MINIMUM REQUIREMENTS

During the base period specified in Clause B.1. the Government shall place orders totaling a minimum of \$250. Any labor categories other than those listed in paragraph B.1. shall not be requested by the Government nor shall they be provided by the Contractor.

### B.4. BILLING AT LOWER RATES

The contractor shall voucher for only the time of the personnel whose services are applied directly to the work called for in individual task orders and accepted by the Contracting Officer's Technical Representative. The Government shall pay the contractor for the life of a task order at rates in effect when the task order was issued, even if performance under the task order crosses into another period. The contractor shall maintain time and labor distribution records for all employees who work under the contract. These records must document time worked and work performed by each individual on all task orders.

An individual will be paid at the labor rate designated by the labor category to which he or she is assigned according to the specific task order under which that individual is performing work. (For example, if a partner is assigned through a task order as an audit manager, the partner shall be billed at the audit manager rate.) In no event shall an individual be assigned or billed at a labor rate higher than that for which he or she has been contractually approved.

All other terms and conditions of the initial contract shall remain unchanged, except where expressly and formally modified by both parties.

#### B.5. HOLIDAYS

(a) The Contractor must establish a standard holiday schedule that exactly coincides with the Government's schedule. Holidays and other non-work days peculiar to or dynamically declared by the Government shall be considered as holidays for Contractor personnel and are not billable unless work is actually requested by the Government and performed on these days. The following is a list of Government holidays:

- (1) New Year's Day
- (2) Martin Luther King Day
- (3) Washington's Birthday
- (4) Memorial Day
- (5) Independence Day
- (6) Labor Day
- (7) Columbus Day
- (8) Veterans Day
- (9) Thanksgiving Day
- (10) Christmas Day

(b) No work will be performed by Contractor personnel on Government holidays or non-work days, i.e., week-ends, without prior written approval of the COTR. Approval by the Task Monitor shall not substitute as the COTR's approval. Work performed on holidays shall be billable at regular rates as shown in Section B.

#### B.6. TRAVEL

(a) No transportation costs or travel allowances (per diem) will be authorized for work under this contract which is performed in the Washington, D.C. Metropolitan Area. It is projected that at least 60 percent of the work assigned to a contractor will be performed in the Washington D.C. Metropolitan Area. Failure on the part of the contractor to fulfill two task orders for work in the Metropolitan D.C. Area will be deemed abandonment of the contract.

(b) The Contractor shall be reimbursed for actual transportation costs and travel allowances (per diem) of personnel who are authorized to undertake out-of-town, overnight travel under this contract, other than for work in the Washington D.C. Metropolitan Area. Such transportation cost shall not be reimbursed in an amount greater than the cost of first class rail or of economy air travel, unless economy air travel and space are not available and the Contractor certifies to these facts in the voucher or in other documents submitted for reimbursement. Travel allowances (per diem) shall be reimbursed in accordance with the Contractor's established policy, but in no event shall such allowances exceed the maximum parameters established by the current Federal Travel Regulations (FTR).

(c) The Contractor shall be reimbursed for the cost of travel performed by its personnel in

their privately owned automobiles at the current government rate per mile, not to exceed the cost by the most direct economy air route between the points so traveled. If more than one person travels in such automobiles, no additional charge will be made by the Contractor for such travel.

(d) It is understood and agreed that no travel costs whatsoever for Contractor personnel travel from place of residence to and from normally assigned worksite shall be reimbursed by the Government.

(e) It is understood and agreed that travel costs for contractor personnel will be paid from the contractor's office, or the employee's residence, whichever is less.

(f) The contractor will not be reimbursed for travel and per diem within a 25 mile radius of the contractor's office or a 40 mile radius of the employee's home (DLMS 7, 1-7.5).

(g) The Contractor shall follow the requirements of the Federal Travel Regulations when returning to his or her official duty station. The most relevant provisions are summarized as follows:

1. An employee may return home while on TDY assignment at Government expense when the TDY assignment is over 30 days and the round trip is for the benefit of employee moral, increased productivity, and retention of the employee. The employee may be authorized one round trip, provided a round trip has not been made in the same 30-day period. This round trip is to be performed outside the employee's regularly scheduled work hours or during periods of authorized leave (Emphasis added.) (DLMS 7.131.d.(3) and FTR 1-7.11b(3)(b)).

2. When an employee voluntarily returns to his/her official station or place of abode for non-workdays, the maximum reimbursement for the round trip transportation and per diem enroute shall be limited to the per diem allowed had the employee remained at the temporary duty station. The employee shall perform any such travel during non-duty hours or periods of authorized leave. (Emphasis added.) (FTR 1-7.11b(4)).

3. An employee who is required by the Task Monitor to return to his or her official station for the non-workdays to perform official business or because it is otherwise advantageous to the Government shall be allowed the round-trip transportation expenses and per diem for the enroute travel. (FTR 1-7.11b(1)). Travel time shall be scheduled within the employee's duty hours to the extent practicable. (Emphasis added.)

#### **B.7. OTHER DIRECT COST**

Should the situation for other direct costs arise, these charges shall not be reimbursable unless authorized by a fully executed Task Order, and in no event shall they include any indirect burden and-or profit.

**B.8. CONTRACT FUNDING LEVELS**

- (a) The Fiscal Year 1998 maximum Government liability shall not exceed \$\_\_\_\_\_.
- (b) The Fiscal Year 1999 maximum Government liability shall not exceed \$\_\_\_\_\_.
- (c) The Fiscal Year 2000 maximum Government liability shall not exceed \$\_\_\_\_\_.
- (d) The Fiscal Year 2001 maximum Government liability shall not exceed \$\_\_\_\_\_.
- (e) The Fiscal Year 2002 maximum Government liability shall not exceed \$\_\_\_\_\_.

**B.9. PLACING ORDERS**

Task Orders awarded under the contract(s) will be issued by the Contracting Officer.

**B.10. ISSUANCE OF TASK ORDERS**

DOL will make multiple awards for the performance of audit services. Task orders estimated by DOL or participating OIGs to cost \$2,500.00 or less may be awarded to one firm on a rotating basis without requesting proposals from all firms. Task orders over \$2,500.00 will be competed among the awardees when a need for audit services becomes known. Evaluation of task order proposals shall be performed in accordance with Section G.1. The level of effort and labor mix provided in task order proposals must conform to the specific work required in the task order and cannot exceed the funding ceiling specified in the task order.

## SECTION C - DESCRIPTION/SPECIFICATION/WORK STATEMENT

### C.1. SCOPE OF WORK

The Inspector General Act of 1978 designated that certain Cabinet-level Federal Agencies would establish Offices of Inspector General. The subsequent amendment to the Inspector General Act in 1988 extended that requirement to other Federal Agencies. The primary mission of the Office of the Inspector General (OIG) is to conduct and supervise audits and to conduct investigations relating to programs and operations of the Federal Agency to which it is attached. The OIG provides leadership and recommends policies for activities designed to prevent and detect fraud, waste and abuse and to promote economy, efficiency and effectiveness of Departmental programs and operations. The OIGs also are responsible for keeping their respective agency heads and the Congress fully informed of problems and deficiencies relating to the administration of Departmental programs and operations and of actions designed to correct such problems and deficiencies.

The Contractor shall provide professional accounting/audit services, on a Task Order basis, supportive of the U.S. Department of Labor, Office of Inspector General and other Offices of Inspector General of Federal Agencies. The partners of the public accounting firm, hereinafter referred to as "Contractor", shall be independent Certified Public Accountants. The Contractor shall also be certified or licensed by the regulatory authority of a State or other political sub-division of the United States and must meet applicable State Board of Accountancy requirements. The Contractor may provide technical assistance and training or perform expanded scope audits, economy and efficiency audits, program results audits, full scope audits, financial and compliance audits, indirect cost audits, or other types of audits required by the OIG. The Contractor may also be asked to perform forensic auditing also known as fraud auditing or investigative accounting. Forensic auditing is defined as the application of accounting and audit disciplines to matters in litigation or debate. The Contractor may also perform pre-award surveys, pricing reviews, quality control reviews, evaluations, analyses, and follow-ups required by any division of an OIG.

The contractor may be tasked with conducting audits or portions of audits of Federal agency financial statements prepared pursuant to the *Chief Financial Officers Act of 1990*; the *Government Management Reform Act of 1994*; and OMB Bulletin 97-01, *Form and Content of Agency Financial Statements*. Generally, the 25 agencies covered by the preceding are required to prepare and have audited consolidated financial statements covering all operations of the agency. In addition to the required principal statements, these annual reports include performance information in an overview of the reporting entity and as supplemental information. In addition to generally accepted auditing standards (GAAS) and generally accepted government auditing standards (GAGAS), these audits are required to be conducted in accordance with OMB Bulletin 93-06, *Audit Requirements for Federal Financial Statements*, and successor Bulletins.



In addition, the Contractor may be required to conduct surveys, provide technical expertise, prepare audit plans and reports, and perform such other work required by the OIG to carry out the responsibilities placed on the Inspector General by the Inspector General Act of 1978, as amended, including audit coordination, training, and orientation. The Contractor may be required to provide services relating to any or all Agencies of the participating OIGs with the approval of the respective OIG.

Audits for the Offices of Inspector General may require from time to time the services of audit specific specialists with a high level of professional expertise in various areas including: information systems technology, health, safety, law, investigations, actuarial science, mining, engineering, appraising, mathematics/statistics, economics, Federal Acquisition and Assistance, writing and other specialties that may be needed to plan, develop, and present technical assistance and training, expanded scope audits, economy and efficiency audits, program results audits, full scope audits, financial and compliance audits, indirect cost audits, and other types of audit services (e.g., audit coordination, audit orientation, pre-award surveys, pricing reviews, quality control reviews, evaluations, etc.).

## C.2. STATEMENT OF WORK

(a) Requirements - The Contractor shall provide qualified personnel to perform the audits, surveys, reviews, and other tasks including research, evaluations, analysis, technical assistance, and training, audit coordination, and orientation needed by the Office of the Inspector General, U.S. Department of Labor and other participating Offices of Inspector General to carry out the responsibilities placed on these Inspectors General by the Inspector General Act of 1978, as described in Part 1, Section C, C.1. Scope of Work herein and in fully executed Task Orders issued hereunder. THE PERSONNEL SO PROVIDED SHALL MEET THE FIRST GENERAL STANDARD FOR GOVERNMENT AUDITING PROMULGATED BY THE COMPTROLLER GENERAL OF THE UNITED STATES IN THE GOVERNMENT AUDITING STANDARDS, including the Continuing Education Requirements.

1. The Contractor shall perform assigned tasks in accordance with requirements for deliverables and time schedules defined in specific task orders issued under this contract.

2. Work on all task orders shall begin within 14 calendar days of the effective date of the task order, except as otherwise specified in a task order.

3. In performing work required by specific task orders, the Contractor shall comply with the pertinent audit guides and shall apply Generally Accepted Auditing Standards published by the American Institute of Certified Public Accountants (AICPA) and Generally Accepted Government Auditing Standards published by the U.S. General Accounting Office. The Contractor shall also comply with all U.S. laws. Additionally, the contractor supplied staff performing work required by specific task orders shall be U.S. citizens or be validly documented to work in the United States.

(b) Reports

The Contractor shall prepare reports in accordance with the specific task orders and the Generally Accepted Government Auditing Standards.

(c) Submission of Products

All products shall be prepared and submitted in accordance with the instructions contained in the respective task order.

The contractor shall cross reference the final copy of each report to the specific workpapers that support each finding.

(d) Preparation of Workpapers

The contractor shall prepare workpapers in accordance with Generally Accepted Government Auditing Standards, and shall assure that the workpapers clearly show the condition, criteria, cause and effect, conclusion, source of information, and are cross referenced to the pertinent audit guide[s] and to the applicable sections of required reports. When audit findings indicate the need, recommendations for improvement shall also be included in the workpapers.

The OIG representatives shall have access to the contractor's workpapers during the course of an audit. Based upon the results of this review, the contractor may be required to perform corrective or additional work within the assignment scope which shall be performed at the contractor's expense.

All work performed under this contract may be released to outside parties only with the express permission of the participating OIG. Work papers will be the property of the participating OIG. In addition, the contractor shall retain the workpapers for a period of eight years after closure of the recommendations and shall make the workpapers available or submit them to the Inspector General or U.S. General Accounting Office upon request.

(e) Entrance and Exit Conferences

Entrance and exit conferences shall be held with the auditees and must be coordinated with the Task Monitor designated in the appropriate Task Order.

(f) Auditee Notification

The Contractor shall (1) notify the auditee of forthcoming audits, reviews, evaluations, analyses, etc.; (2) identify the records and personnel that need to be made available by the auditee; and (3) obtain confirmation from the auditee of the availability of such records and personnel prior to visiting the auditee.

(g) Technical Assistance To Federal Agencies

1. The contractor shall provide technical assistance to Federal agencies in resolving audit findings and to testify at administrative and judicial hearings in accordance with fully executed task orders issued under this contract. Reimbursement for such work during the contract period shall be in accordance with the rates specified in the contract.

2. The contractor is prohibited from providing individualized technical assistance to the entity under audit during the period of this contract.

(h) Level of Agency Assistance and Workspace

1. Assistance from the agency being audited varies considerably by agency and by task to be performed. Agency personnel are expected to provide time for meetings, interviews, and discussions of systems/problems. Document retrieval and copying is generally provided by the agency and in some cases the agency will prepare schedules. The level of assistance expected to be provided by the agencies will be described in each task order and is taken into consideration in the hours estimated to complete the task order.

2. Work space and support services to conduct the task required will have to be negotiated by the contractor with the entity under audit and will sometimes prove difficult if space is not readily available.

C.3. LABOR CATEGORIES

This contract shall be considered a fixed-price indefinite quantity/indefinite deliver contract. As the Contractor adds staff (at any level), or promotes staff, a resume of each individual shall be submitted to the Contracting Officer for approval. The following categories of labor shall be applicable to all work herein, at the hourly rates established in Part I, Section B hereof. All labor categories listed below are considered to be exempt from coverage under the Service Contract Act.

(a) Partner/Principal

It is required that this person be a Certified Public Accountant, licensed by the appropriate state licensing authority and be in good standing with the AICPA, State Boards, etc. The minimum educational experience include: (a) a bachelor degree in accounting or business and (b) 80 hours of continuing professional experience in the past 2 years that meets the government CPE requirements. The minimum experience requirements in this category include: (a) being a partner or principal in the Contractor's or subcontractor's organization, (b) having a minimum of seven (7) years general audit experience and three (3) years government audit experience. The responsibilities in this category include final authority in the conduct of engagements and full responsibility for the work performed, i.e., overall project management and final report review.

(b) Audit Manager

It is required that this person be a Certified Public Accountant, licensed by the appropriate state licensing authority and be in good standing with the AICPA, State Boards, etc.

The minimum educational experience include: (a) a bachelor degree in accounting or business and (b) 80 hours of continuing professional experience in the past 2 years that meets the government CPE requirements. The minimum experience required is : (a) having a minimum of five (5) years general audit experience and (b) two (2) years government audit experience. The responsibilities in this category include: (1) reviewing working papers, financial statements and reports, (2) conducting discussions with clients about the results of the work performed, (3) directing senior and junior auditors, (4) reviewing and approving work plans and programs, (5) ensuring that assignments are carried out within the budgeted time and within delivery commitments, (6) reviewing work papers and financial statements and related reports for accuracy and completeness, (7) following the progress of the engagement and helping resolve accounting, auditing, and reporting problems as they arise. The Audit Manager is regularly assigned on the firm's other audit engagements in a managerial capacity.

(c) Senior auditor

The minimum experience requirements for a senior include: (a) being a senior in the Contractor's or subcontractor's organization, (b) having a minimum of three (3) years general audit experience, and (c) one (1) year of government audit experience. The education requirements include: (a) a bachelors degree in accounting or business, (b) licensed as a CPA or meeting the CPA educational requirements in the state he/she is employed and (d) 80 hours of continuing education and training in the past 2 years that meets the government CPE requirements. The responsibilities in this category include: (1) independently performing a major segment of an audit, (2) directing the work of junior auditors, (3) instructing them in the work to be performed, (4) reviewing the work done and directing revisions, if necessary. The Senior Auditor makes decisions on all but the most unusual accounting, auditing, and reporting matters and is regularly assigned on the firm's other audit engagements in the capacity of senior auditor.

(e) Staff auditor

The minimum educational requirements for a junior auditor include: (a) a bachelor degree in accounting or business, (b) licensed as a CPA or meeting the CPA educational requirements in the state he/she is employed and (d) 80 hours of continuing education and training in the past 2 years that meets the government CPE requirements. The responsibilities in this category include performing specific audit steps under the supervision of a senior auditor. All activities of the junior auditor are supervised.

(f) Information systems audit support specialists (This category includes individuals with specialized information systems technical knowledge, skills, and abilities who may not be accountants, but who have responsibilities and a level of experience similar to, and who function

in their technical speciality at a level comparable to senior auditors or junior auditors. For the purposes of labor classifications, information systems specialist auditors who perform routine general and application control review as well as computer assisted audit techniques are not considered in the technical specialist classifications, but rather are considered in the accounting, auditing and related skills classifications as described below.)

The minimum education requirements include a bachelor degree. The minimum experience requirements include at least three (3) years of experience in information systems technology and (b) six (6) months of experience in government audit experience. Responsibilities include: (1) writing computer programs for a mainframe environment, (2) using available tools, languages, and utilities to perform data and statistical analysis and produce formatted reports. The Information Systems Audit Support Specialist possesses the ability to analyze a wide variety of batch and on-line systems, data formats, and complex programs.

(h) Audit Specific Specialist(s) (This labor category is considered exempt from coverage under the Service Contract Act).

The minimum experience requirements in this category include: (a) having thorough knowledge and formal training in the required specific specialty, (b) a high level of experience in applying the specific specialty, and (c) recognized standing in the applicable field. The responsibilities in this category include providing auditors with professional expertise in such areas as health, safety, law, investigations, actuarial science, mining, engineering, appraising, mathematics, statistics, economics, writing, or other, that may be needed to plan, develop, and present technical assistance and training, expanded scope audits, economy and efficiency audits, program results audits, full scope audits, financial and compliance audits, indirect cost audits, and other types of audit services (e.g., audit coordination, audit orientation, pre-award surveys, pricing reviews, quality control reviews, evaluations, etc.). This category includes all specific specialties needed to complete assigned tasks that are not covered by the other labor categories in this contract. The use of each specific specialty is to be negotiated with the Contracting Officer within the labor hour composite range for this category.

#### C.4. NOTICE TO GOVERNMENT OF DELAY

Whenever the Contractor has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this contract, the Contractor shall, within ten (10) days, give notice thereof, including all relevant information with respect thereto, to the Contracting Officer.

#### C.5. KEY PERSONNEL

The Contractor shall include in its proposal, by name and labor category, the key personnel to be assigned to perform and carry out all phases of work under this contract. Key personnel includes those personnel listed below or in the Contractor's proposal.

<u>NAME</u>	<u>LABOR CATEGORY</u>
_____	Partner
_____	Partner
_____	Manager
_____	Manager
_____	Senior
_____	Senior

(Use as many lines as necessary)

The persons named above are considered by the Department to be key personnel and essential for the successful completion of all work assigned under the contract. The Contractor shall notify the Contracting Officer at least 14 calendar days in advance if any of these key persons are to be removed or diverted from this contract, and shall supply written justification as part of this notice as to why these key personnel are being removed or diverted and shall provide the name(s) of the proposed substitute or replacement and shall include such information on each new person as education, work experience, etc.

The Contractor shall not under any circumstances remove or divert such key persons unless prior written authorization has been granted by the Contracting Officer.

SECTION E - INSPECTION AND ACCEPTANCE

E.1 NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE

NOTICE: The following solicitation provisions and/or contract clauses pertinent to this section are hereby incorporated by reference:

FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1)

52.246-6	Inspection - Time-and-Material and Labor-Hour.	JAN 1986
52.246-4	Inspection of Services - Fixed-Price.	AUG 1996

## SECTION F - DELIVERIES OR PERFORMANCE

### F.1. TASK ORDER DELIVERIES

The Contractor shall make deliveries and perform in accordance with the provisions of fully executed task orders.



## SECTION G - CONTRACT ADMINISTRATION DATA

### G.1. TASK ORDER PROCESS

(a) It is the intention of the DOL/OIG to award contracts to one or more qualified CPA firms to provide services on a task order basis as generally described below. Work under this contract shall be initiated only by issuance of a fully executed "Task Order." Under task orders, contractors will provide qualified personnel, materials, and necessary travel to provide financial statement and other financial-related auditing, accounting, review, agreed upon procedures, assessment, training, and related services with respect to Government entities (or selected portions of it.)

(b) Task orders estimated by OIGs to cost \$2,500 or less may be awarded to one qualified firm on a rotating basis without requesting proposals from all firms. Task orders more than \$2,500 will be competed. (FAR 15.505(b))

(c) Task orders will generally have a not-to-exceed limit which includes all fees and travel. However, depending upon the services required, task orders may be issued on a fixed price basis. The not-to-exceed limit is based upon a number of factors including past experience with the entity, the agency estimate of what the task should cost, and the amount available to be obligated. Task orders are fixed rate level of effort contracts. Should the task be completed in less time the excess dollars over the amount originally allocated will be deobligated. Should additional time and/or funds be necessary and justified, a task order modification may be authorized by the Contracting Officer. Funding thresholds for all task orders may not be exceeded without written authorization of the Contracting Officer.

(d) Task orders estimated to exceed \$2,500.00 will be awarded according to the following process. The participating OIGs will send all the contractors a ***Task Order Proposal Request*** by FAX, mail, or electronically. The Task Order Proposal Request will include:

- A description of the work to be performed
- Background information and known problems
- Prior related audits, if applicable
- The estimated period of performance or required completion dates
- Required deliverables
- Progress reporting requirements
- Security requirements, if applicable

- Any other special requirements, and
- The date and time by which Contractor's response is due.

(e) The Contractor may respond with a ***Task Order Proposal***. Task order Proposals will be brief and provide the following:

- A description of how the Contractor proposes to accomplish the work;
- Any exceptions taken to the Government's proposed terms;
- A commitment to perform the task within the specified time frame including Milestones/completion dates;
- Estimated travel and cost, if applicable. Offices planned to be used to staff the work required by the task order. (It is expected that the contractor will provide services from all offices shown in the contract. Travel costs and per diem are generally not expected to be paid for travel when the task order requires work at or near a contractor location included in the contract.);
- Names and resumes of the work team proposed including relevant experience;
- Office/firm experience in performing the type of work described in the scope of work of the task order;
- A pricing proposal with a total price supported by the estimated labor-hours by labor category. Estimate of hours by level of personnel at fixed hourly rates, and out-of-pocket expenses such as travel, not to exceed a specified amount. In all cases, contractor personnel will be required to comply with Federal travel regulations, including per diem rate limitations;
- A statement as to independence and objectivity (under guidelines established by the American Institute of Certified Public Accountants) (AICPA) concerning the audited entity. The contractor also shall provide the requesting OIG with information concerning all contracts or agreements currently in force or awarded in the past 3 years between the contractor and entity to be audited, reviewed or assessed or any component of such entity; and any contracts or agreements currently in force or awarded in the past 3 years between the contractor and a third party which involves the entity to be audited, reviewed or assessed. The contractor shall further disclose any additional facts or information which it considers relevant in determining whether an actual or potential organizational conflict of interest exists as defined in FAR Subpart 9.5, whether an appearance of organizational

conflict of interest exists, or whether the firm is not independent under rules of the AICPA.

(f) Firms receiving contract award under this solicitation may propose or decline to provide a proposal on the individual task orders being offered. Firms are expected to decline on individual task orders if they are not independent or have a conflict of interest, do not have available experienced staff or cannot complete the work within the established time frame. Further, if, after submission and approval of Contractor's Disclosure of Conflicts of Interest Statement, any new personal, professional, or business activity on the part of the Contractor or any of his/her employees occurs which creates new conflicts or apparent conflicts of the type described above, the Contractor will immediately provide the Contracting Officer with a written statement describing in a concise manner all the relevant facts.

(g) The participating OIG requesting the Task Order will evaluate task order proposals and select the best qualified firm to perform the task considering that technical qualifications are more important than price. The evaluation of proposals to perform the work required by task orders may include some or all of the following criteria:

- The experience of the individuals proposed with similar work.
- The technical approach to performing the work required by the task order statement of work.
- The results of reference checks on Jobs included in the task order as relevant qualifying experience for both the firm and key personnel.
- A commitment to meet the time requirements of the task order.
- Other criteria as may be unique to the task order. Such as consideration of auditees contracting restrictions and availability of security clearances.

(h) After the conclusion of any negotiations and/or submission of additional data deemed appropriate by the requesting OIG, agreement is reached. Paper work including the request for a task order, the Task Order Proposal Request and Task Order Proposals received will be forwarded to the Contracting Officer's Technical Representative (COTR). After evaluation of the task order request the COTR will forward the request for the Task Order to the Contracting Officer. The Contracting Officer will issue a funded task order incorporating all relevant documents. The Task Order will be issued unilaterally except when circumstances require the inclusion of terms or conditions not previously agreed to by the parties and made part of the relevant incorporated documents.

(i) The issuance of a Task Order Proposal Request does not obligate the Government to issue a Task Order. The Government may modify, delay action on, or cancel any Task Order

Proposal Request when deemed to be in its best interest. The Government will not reimburse the Contractor for any expenses related to Task Order Proposal Plan preparation and submission.

(j) The Government may, at its sole discretion, terminate the contract/ task order for its convenience if the Contractor fails to provide the required statements or if, in its judgment, a reported conflict or apparent conflict warrants such action.

## G.2. CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVES

(a) The COTR is designated by the Contracting Officer. The responsibilities of the COTR include administering task orders and monitoring contract performance. The COTR is not authorized to direct any action that results in a change in the scope, price, terms or conditions of this contract.

(b) The Task Monitor provides technical direction and control during the contractor's performance, monitors the contract progress, and ascertains, for payment approval purposes, that the contractor's performance is acceptable with respect to content, quality of service and materials.

## G.3. PROJECT MANAGEMENT AND CONTROL

(a) The Contractor shall provide quick reaction to modifications of, additions of, and/or deletions of, Task Orders resulting from requirements placed upon it by the OIG. The Contractor shall also provide timely response in commencing work on fully executed Task Orders hereunder, in accordance with dates given in the Task Orders.

(b) The Contractor shall use suitable management control and project reporting procedures for work accomplished under the assigned Task Orders. Progress reports on each Task Order shall be provided to the Task Monitor in accordance with the requirements of the Task Order.

(c) All reports and deliverable items to be furnished under a fully executed Task Order shall be delivered to the Task Monitor or his/her representative. The Task Monitor is responsible for inspecting and accepting the services provided. All reports shall include the contract number.

## G.4. SUBMISSION OF INVOICES

### (a) Invoice Requirements

1. The Contractor will submit an invoice(s) (original and four [4] copies) to:

Contracting Officer  
U.S. Department of Labor

Office of Inspector General  
Office of Management and Counsel  
200 Constitution Avenue, N.W., Room S-5508  
Washington, D.C. 20210

A separate invoice shall be submitted for each task order on a monthly basis. A time sheet and travel form that will be handed out at the post award conference must be completed and submitted with each invoice sent to the Task Monitor and COTR. Each invoice submitted should be marked original, copy 1, copy 2, etc., as appropriate.

2. In accordance with the Prompt Payment Act, Public Law 97-177, to constitute a proper invoice, the invoice must include the following minimum information and/or attached documentation:

- a. Name of business concern/letterhead;
- b. Invoice date and separate/distinct number;
- c. Contract number;
- d. Description of services and dates upon which services were rendered;
- e. Payment terms;
- f. Name, title, phone number and complete mailing address of responsible official to whom payment is to be sent;
- g. Total charges for the billing period;
- h. Name and hours of effort expended by each individual during the billing period;
- i. Cumulative expenditures through the billing period; and
- j. Statement signed by a responsible official of the concern substantially similar if not identical to the following:

“I certify that the services above have been performed in accordance with the contract and that personnel, hours and/or other costs are correct and have not been previously billed. I understand that falsification may subject me to criminal and civil penalties.”

Contractor's Signature \_\_\_\_\_

(b) Payment Due Date

- 1. Payments under this contract will be due on the 30th calendar day after the date

of actual receipt of a proper invoice in the office designated to receive the invoice.

2. The date of the payment by wire transfer shall be considered to be the date payment is made.

(c) Interest on Overdue Payments

1. The Prompt Payment Act, Public Law 97-177 (96 Stat. 85, 31 USC 1801) is applicable to payments under this contract and requires the payment to contractors of interest on overdue payments and improperly taken discounts.

2. Determinations of interest due will be made in accordance with the provisions of the Prompt Payment Act and Office of Management and Budget Circular A-125.

G.5. METHOD OF PAYMENT

(a) The Debt Collection Improvement Act of 1996 amends 31 U.S.C 3332 to require Federal agencies to convert from paper-based payment methods to electronic funds transfer (EFT). All new recipients of Federal Payments must receive those payments electronically. Payments under this contract will be made by electronic funds transfer through the Automated Clearing House (ACH) at the option of the Government (52.232-33). In order to ensure prompt payment of invoices when electronic transfers must be made, the Contractor shall forward the following information to the Contracting Officer not later than five (5) calendar days after receipt of award:

1. Company Information

- a. Name
- b. Address of the contractor;
- c. Taxpayer ID Number
- d. Contact Person Name
- e. Telephone Number

2. Financial Institution Information

- a. Bank's Name

b. Bank's Routing Number

c. Account Number

d. Type of Account

3. Signature and Title of the individual completing the form

a. Signature

b. Title

c. Date

(c) Any changes to the information provided shall be furnished to the Contracting Officer in writing at least thirty (30) calendar days before the effective date of the change. It is the contractor's responsibility to furnish changes promptly to avoid payments to erroneous addresses or bank accounts.

G.6. INCORPORATION OF CONTRACTOR'S PROPOSAL

It is understood and agreed that the Contractor shall, in meeting the requirements of this contract, perform the work in accordance with his proposal to the U.S. Department of Labor dated \_\_\_\_\_, as amended \_\_\_\_\_, provided however, that to the extent that any provisions of the Articles set forth herein are in conflict or inconsistent with any provisions of said proposal, the provisions of the Articles of this contract shall be controlling and shall supersede the provisions of said proposal.

G.7. PERIOD OF PERFORMANCE

(a) Base Contract

This contract shall be effective for a period of one (1) year from the date of award. This period shall be the firm period for execution of Task Orders under this contract. In the event the Government does not exercise its Option to Extend (Part b. hereof), and timely executed Task Orders specify delivery of reports after the established one (1) year period specified, this contract shall be deemed to be extended and effective for one (1) additional six (6) calendar month period. It is understood and agreed by both parties to this contract that no Task Orders, under the Base Contract, shall be executed outside the initial one (1) year period from the date of award. It is further understood and agreed by both parties that no Task Orders shall be executed during the initial one (1) year period which specify deliverable items beyond eighteen (18) calendar months from the date of award.

(b) Government Option to Extend

This contract is renewable for four (4) additional one-year periods at the option of the Government, by the Contracting Officer giving written notice of the Government's intention to renew at least sixty (60) calendar days prior to the expiration date of this contract. If however, an appropriation act has not been passed at least 60 days prior to the expiration date, then the Government may give the necessary notice for the option within 8 working days after such passage." Said written notice shall be in the form of a formal contract modification. In the event the Government exercises its option to renew the contract, all terms and conditions of this contract shall remain unchanged and in full force and effect except that prices shall be set forth in paragraph B.2.

(c) Pricing & Effort During Optional Period of Contract.

In the event this option is exercised, it is understood and agreed by both parties to this contract that no Task Orders, under this option period, shall be executed outside the optional one (1) year periods. It is further understood and agreed by both parties hereto that no Task Orders shall be executed during the optional one (1) year periods which specify deliverable items beyond eighteen (18) calendar months from the beginning of the fourth option year of the contract. It is understood and agreed by both parties hereto that in the event a Task Order is properly executed and specifies a delivery of reports beyond the optional one (1) year period, this contract shall be deemed to be extended and effective for one (1) additional six (6) calendar month period.



## SECTION H - SPECIAL CONTRACT REQUIREMENTS

### H.1. RESTRICTIONS AGAINST DISCLOSURE

(a) The Contractor agrees, in the performance of this contract, to keep all information which is obtained or otherwise reviewed as a result of this contract, in the strictest of confidence. The Contractor acquires no possessory and no proprietary interests in such information. The Contractor agrees not to disclose any information concerning the work under this contract to any persons or entities unless prior written approval is obtained from the Contracting Officer. The Contractor agrees not to publish, reproduce, or otherwise divulge such information in whole or in part, in any manner or form, at any time, during or following contract performance, nor to authorize or permit others to do so. The Contractor agrees to take such reasonable measures as are necessary to restrict access to such information to those employees of the contractor needing such information to perform the work provided herein, i.e., on a "need to know" basis. The Contractor agrees to immediately notify the Contracting Officer's Technical Representative, in the event that he or she determines or has reason to suspect a breach of any of these requirements or restrictions, and to provide written notification as soon as possible.

(b) The Contractor agrees to include the above clause or equivalent language in any agreement or subcontract hereunder.

### H.2. FRAUD

If, during the course of the examination, the auditors uncover indications of possible fraud or other situations which need to be brought to the attention of the Agency, they shall immediately notify the Task Monitor by telephone and confirm the conversation in writing. The auditors shall perform sufficient field work to be able to clearly describe and document the situation. Further, the Contractor shall submit copies of the documents in question to the Task Monitor and shall not discuss the situation with the Auditee without the permission of the Agency. Examples of the types of situations which need to be brought to the attention of the Agency are intent to commit an illegal or wrongful act or series of such acts to achieve a purpose inconsistent with law or public policy in order to obtain money, property, or personal advantage; deceit; trickery; cheating; misrepresentation; intentional deception; deliberate conduct such as keeping a double set of books; making alterations, false entries, false invoices or false documents; destruction of records; concealment of assets.

### H.3. CONFLICT OF INTEREST

(a) A "conflict of interest" shall be defined as an activity or relationship which the contractor has with other persons or entities which makes the contractor unable or potentially unable to render impartial assistance or advice to the Government under this contract, or the contractor's objectivity in performing contract work is or might be otherwise impaired, or the activity or relationship gives the contractor an unfair competitive advantage. This includes but is

not limited to any discussions, negotiations, or financial arrangements by a contractor with an auditee under this contract, or prospective auditee, relating to the conduct or resolution of any matter arising out of an ongoing or prospective audit or financial review, or any related audits.

(b) The contractor, by signing a task order, certifies to the best of his/her knowledge that no such conflict of interest, potential conflict of interest, or appearance of a conflict of interest exists. The contractor agrees to immediately notify the contracting officer, in writing, if during the performance of a task order or at anytime thereafter, while this contract remains in effect, a conflict of interest, potential conflict of interest, or appearance of a conflict of interest arises.

(c) If an activity of the contractor does give rise to a conflict of interest, potential conflict of interest, or appearance of a conflict of interest, which cannot be settled to the Department of Labor, Office of Inspector General's or other Federal Agency's satisfaction, the contract may be terminated for the convenience of the Government.

#### H.4. SUITABILITY CLEARANCES

Key Personnel selected for work under this contract will be (and other personnel selected for work under this contract may be) subject to suitability and security clearance standards prescribed by the Department of Labor OIG or other Federal Agency OIG and may be subject to any background investigations deemed appropriate and necessary by the OIG requesting the Task Order, including a Top Secret, National Agency Check and Inquiry (NACI) and a personal credit check. Such investigation(s) may be conducted at any time during the existence of the contract, or during the period prior to actual contract performance, if necessary. If there are questions concerning the suitability of a contract employee following such background investigation(s), notification and an opportunity to respond will be provided to the employee. If the employee is found to be unsuitable, DOL/OIG reserves the right to require the contractor to remove and/or replace said employee from his/her duties under the contract. Such removal and/or replacement shall not alter or affect the responsibility of the contractor to meet the performance standards prescribed in this contract.

The OIG requiring the suitability clearance will absorb all cost directly related to the background investigation(s).

In the absence of a written waiver by contract personnel, the provisions of the Privacy Act (5 U.S.C. 552a) may preclude discussion of the details of background investigation(s) and/or OIG action with the contractor.

#### H.5. USE & OWNERSHIP OF COMPUTER SOFTWARE

(a) The contractor will use and conform to computer software products which are identical to those used by the Office of Inspector General requiring the Task Order. Software products which are not licensed to the Office of Inspector General can only be used if written

approval is provided by the Contracting Officer's Technical Representative or the Task Monitor of the requiring OIG.

(b) The contractor may establish claim to copyright all computer software programs, computer data bases and documents thereof, developed to facilitate, support or perform under the contract, financial statement compilations, systems development monitoring, data base analysis, data collection or the assessment of the reliability of computer processed data. However, the contractor grants to the Government and others acting on its behalf, a fully paid, nonexclusive, irrevocable worldwide license for all such computer software products to reproduce, prepare derivative works, and perform publically and display publically, by or on behalf of the Government.

#### H.6 TECHNICAL INFORMATION SYSTEMS REQUIREMENTS

(a) The Contractor agrees to ensure that all electronic files and diskettes are used to store or transmit data to the Office of Inspector General, is free of computer viruses.

(b) All draft and final audit reports, including attachments, schedules and agency comments, and all other audit products must also be submitted to the agency on virus-free diskettes using the agency's standard word processing format.

(c) Contractors must have access to Internet E-mail and have the ability to send and receive reports and e-mail messages via Internet in a format that is compatible with the agency's.

PART II - CONTRACT CLAUSES  
SECTION I - CONTACT CLAUSES

I.1. CLAUSES INCORPORATED BY REFERENCE. (FAR 52.252-2) (JUN 1988)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

These clauses are also available on the internet at <http://www.gsa.gov/far/>

I.2. LIST OF CLAUSES INCORPORATED BY REFERENCE

52.215-2	Audit and Records--Negotiation	AUG 1996
52.202-1	Definitions	OCT 1995
52.203-3	Gratuities	APR 1984
52.203-5	Covenant Against Contingent Fees	APR 1984
52.203-6	Restrictions on Subcontractor Sales to the Government	JUL 1995
52.203-7	Anti-Kickback Procedures	JUL 1995
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity	JAN 1997
52.203-12	Limitation on Payments to Influence Certain Federal Transactions	JAN 1990
52.203-13	Procurement Integrity-Service Contracting	SEP 1990
52.204-4	Printing/Copying Double-Sided on Recycled Paper	JUL 1996
52.209-6	Protecting the Governments Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment	JUL 1995
52.215-22	Price Reduction for Defective Cost or Pricing Data	OCT 1995
52.215-23	Price Reduction for Defective Cost or Pricing Data - Modifications	OCT 1995
52.215-24	Subcontractor Cost or Pricing Data	OCT 1995
52.215-25	Subcontractor Cost or Pricing Data - Modifications	OCT 1995
52.244-3	Subcontracts (Time-and-Materials and Labor-Hour Contracts)	APR 1985
52.237-1	Site Visit	APR 1984
52.232-9	Limitation on Withholding of Payments	APR 1984
52.232-8	Discounts for Prompt Payment	MAY 1997
52.232-1	Payments	APR 1984
52.232-7	Payments under Time-and-Materials and Labor-Hour Contracts	FEB 1997
52.230-2	Cost Accounting Standards	APR 1996
52.215-26	Integrity of Unit Prices	JAN 1997
52.215-33	Order of Precedence	JAN 1986

52.217-8	Option to Extend Services	AUG 1989
52.219-6	Notice of Total Small Business Set-Aside	JUL 1996
52.219-8	Utilization of Small, Small Disadvantaged and Women-Owned Small Business Concerns	OCT 1995
52.219-9	Small Business, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan	AUG 1996
52.219-14	Limitations on Subcontracting	DEC 1996
52.222-1	Notice to the Government of Labor Disputes	FEB 1997
52.222-3	Convict Labor	AUG 1996
52.222-26	Equal Opportunity	APR 1984
52.222-28	Equal Opportunity Preaward Clearance of Subcontracts	APR 1984
52.222-35	Affirmative Action for Special Disabled and Vietnam Era Veterans	APR 1984
52.222-36	Affirmative Action for Handicapped Workers	APR 1984
52.222-37	Employment Reports on Special Disabled Veterans and Veterans of the Vietnam Era	JAN 1988
52.223-2	Clean Air and Water	APR 1984
52.223-6	Drug-Free Workplace	JAN 1997
52.223-14	Toxic Chemical Release Reporting	OCT 1996
52.224-1	Privacy Act Notification	APR 1984
52.224-2	Privacy Act	APR 1984
52.225-3	Buy American Act - Supplies	JAN 1994
52.225-11	Restrictions on Certain Foreign Purchases	OCT 1996
52.227-1	Authorization and Consent	JUL 1995
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement	AUG 1996
52.227-3	Patent Indemnity	APR 1984
52.227-18	Rights in Data - Existing Works	JUN 1987
52.228-5	Insurance - Work on a Government Installation	JAN 1997
52.229-3	Federal, State, and Local Taxes	JAN 1991
52.229-5	Taxes - Contracts Performed in U.S. Possessions or Puerto Rico	APR 1984
52.230-3	Disclosure and Consistency of Cost Accounting Practices	APR 1996
52.230-4	Consistency in Cost Accounting Practices	AUG 1992
52.232-16	Progress Payments	JUL 1991
52.232-17	Interest	JUN 1996
52.232-22	Limitation of Funds	APR 1984
52.232-23	Assignment of Claims	JAN 1986
52.232-25	Prompt Payment	MAY 1997
52.233-3	Protest After Award	AUG 1996
52.237-2	Protection of Government Buildings, Equipment, and Vegetation	APR 1984
52.242-1	Notice of Intent to Disallow Costs	APR 1984

52.243-1	Changes - Fixed-Price	AUG 1987
52.245-5	Government Property (Cost-Reimbursement, Time-and-Material, or Labor Hour Contracts)	JAN 1986
52.246-25	Limitation of Liability - Services	FEB 1997
52.249-6	Termination (Cost-Reimbursement)	SEP 1996
52.249-8	Default (Fixed-Price Supply and Service)	APR 1984

I.3. INDEFINITE QUANTITY (FAR 52.216-22) (OCT 1995)

(a) This is an indefinite-quantity contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies and services specified in the Schedule are estimates only and are not purchased by this contract.

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the “maximum”. The Government shall order at least the quantity of supplies or services designated in the Schedule as the “minimum”.

(c) Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(d) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor’s and Government’s rights and obligations with respect to that order to the same extent as if the order were completed during the contract’s effective period; *provided*, that the Contractor shall not be required to make any deliveries under this contract after *[insert date]*.

I.4. OPTION TO EXTEND THE TERM OF THE CONTRACT (FAR 52.217-9) (MAR 1989)

The Government may extend the term of this contract by written notice to the Contractor within the first day of each Government fiscal year or within thirty (30) days after funds for that fiscal year become available, whichever date is the later; provided, that the Government shall give the Contractor a preliminary written notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension.

(a) If the Government exercises this option, the extended contract shall be considered to include this option provision.

(b) The total duration of this contract, including the exercise of any options under this clause shall not exceed 5 years.

I.5. AVAILABILITY OF FUNDS (FAR 52.232-18) (APR 1984)

Funds are not presently available for this contract. The Government's obligation under this contract is contingent upon the availability of appropriated funds from which payment for contract purposes can be made. No legal liability on the part of the Government for any payment may arise until funds are made available to the Contracting Officer for this contract and until the Contractor receives notice of such availability, to be confirmed in writing by the Contracting Officer.

I.6. MANDATORY INFORMATION FOR ELECTRONIC FUNDS TRANSFER PAYMENT (FAR 52.232-33) (AUG 1996)

(a) *Method of payment.* Payments by the Government under this contract, including invoice and contract financing payments, may be made by check or electronic funds transfer (EFT) at the option of the Government. If payment is made by EFT, the Government may, at its option, also forward the associated payment information by electronic transfer. As used in this clause, the term "EFT" refers to the funds transfer and may also include the information transfer.

(b) *Mandatory submission of Contractor's EFT information.*

(1) The Contractor is required, as a condition to any payment under this contract, to provide the Government with the information required to make payment by EFT as described in paragraph (d) of this clause, unless the payment office determines that submission of the information is not required. However, until January 1, 1999, in the event the Contractor certifies in writing to the payment office that the Contractor does not have an account with a financial institution or an authorized payment agent, payment shall be made by other than EFT. For any payments to be made after January 1, 1999, the Contractor shall provide EFT information as described in paragraph (d) of this clause.

(2) If the Contractor provides EFT information applicable to multiple contracts, the Contractor shall specifically state the applicability of this EFT information in terms acceptable to the payment office.

(c) *Contractor's EFT information.* Prior to submission of the first request for payment (whether for invoice or contract financing payment) under this contract, the Contractor shall provide the information required to make contract payment by EFT, as described in paragraph (d) of this clause, directly to the Government payment office named in this contract. If more than one payment office is named for the contract, the Contractor shall provide a separate notice to each office. In the event that the EFT information changes, the Contractor shall be responsible for providing the changed information to the designated payment office(s).

(d) *Required EFT information.* The Government may make payment by EFT through either an Automated Clearing House (ACH) subject to the banking laws of the United States or the Federal Reserve Wire Transfer System at the Government's option. The Contractor shall

provide the following information for both methods in a form acceptable to the designated payment office. The Contractor may supply this data for this or multiple contracts (see paragraph (b) of this clause).

(1) The contract number to which this notice applies.

(2) The Contractor's name and remittance address, as stated in the contract, and account number at the Contractor's financial agent.

(3) The signature (manual or electronic, as appropriate), title, and telephone number of the Contractor official authorized to provide this information.

(4) For ACH payments only:

(i) Name, address, and 9-digit Routing Transit Number of the Contractor's financial agent.

(ii) Contractor's account number and the type of account (checking, saving, or lockbox).

(5) For Federal Reserve Wire Transfer System payments only:

(i) Name, address, telegraphic abbreviation, and the 9-digit Routing Transit Number for the Contractor's financial agent.

(ii) If the Contractor's financial agent is not directly on-line to the Federal Reserve Wire Transfer System and, therefore, not the receiver of the wire transfer payment, the Contractor shall also provide the name, address, and 9-digit Routing Transit Number of the correspondent financial institution receiving the wire transfer payment.

(e) *Suspension of payment.*

(1) Notwithstanding the provisions of any other clause of this contract, the Government is not required to make any payment under this contract until after receipt, by the designated payment office, of the correct EFT payment information from the Contractor or a certificate submitted in accordance with paragraph (b) of this clause. Until receipt of the correct EFT information, any invoice or contract financing request shall be deemed not to be a valid invoice or contract financing request as defined in the Prompt Payment clause of this contract.

(2) If the EFT information changes after submission of correct EFT information, the Government shall begin using the changed EFT information no later than the 30th day after its receipt to the extent payment is made by EFT. However, the Contractor may request that no further payments be made until the changed EFT information is implemented by the payment office. If such suspension would result in a late payment under the Prompt Payment clause of this



contract, the Contractor's request for suspension shall extend the due date for payment by the number of days of the suspension.

(f) *Contractor EFT arrangements.* The Contractor shall designate a single financial agent capable of receiving and processing the electronic funds transfer using the EFT methods described in paragraph (d) of this clause. The Contractor shall pay all fees and charges for receipt and processing of transfers.

(g) *Liability for uncompleted or erroneous transfers.*

(1) If an uncompleted or erroneous transfer occurs because the Government failed to use the Contractor-provided EFT information in the correct manner, the Government remains responsible for (i) making a correct payment, (ii) paying any prompt payment penalty due, and (iii) recovering any erroneously directed funds.

(2) If an uncompleted or erroneous transfer occurs because Contractor-provided EFT information was incorrect at the time of Government release of the EFT payment transaction instruction to the Federal Reserve System, and--

(i) If the funds are no longer under the control of the payment office, the Government is deemed to have made payment and the Contractor is responsible for recovery of any erroneously directed funds; or

(ii) If the funds remain under the control of the payment office, the Government retains the right to either make payment by mail or suspend the payment in accordance with paragraph (e) of this clause.

(h) *EFT and prompt payment.*

(1) A payment shall be deemed to have been made in a timely manner in accordance with the Prompt Payment clause of this contract if, in the EFT payment transaction instruction given to the Federal Reserve System, the date specified for settlement of the payment is on or before the prompt payment due date, provided the specified payment date is a valid date under the rules of the Federal Reserve System.

(2) When payment cannot be made by EFT because of incorrect EFT information provided by the Contractor, no interest penalty is due after the date of the uncompleted or erroneous payment transaction, provided that notice of the defective EFT information is issued to the Contractor within 7 days after the Government is notified of the defective EFT information.

(i) *EFT and assignment of claims.* If the Contractor assigns the proceeds of this contract as provided for in the Assignment of Claims clause of this contract, the assignee shall provide the assignee EFT information required by paragraph (d) of this clause. In all respects, the

requirements of this clause shall apply to the assignee as if it were the Contractor. EFT information which shows the ultimate recipient of the transfer to be other than the Contractor, in the absence of a proper assignment of claims acceptable to the Government, is incorrect EFT information within the meaning of paragraph (e) of this clause.

(j) *Payment office discretion.* If the Contractor does not wish to receive payment by EFT methods for one or more payments, the Contractor may submit a request to the designated payment office to refrain from requiring EFT information or using the EFT payment method. The decision to grant the request is solely that of the Government.

(k) *Change of EFT information by financial agent.* The Contractor agrees that the Contractor's financial agent may notify the Government of a change to the routing transit number, Contractor account number, or account type. The Government shall use the changed data in accordance with paragraph (e)(2) of this clause. The Contractor agrees that the information provided by the agent is deemed to be correct information as if it were provided by the Contractor. The Contractor agrees that the agent's notice of changed EFT data is deemed to be a request by the Contractor in accordance with paragraph (e)(2) that no further payments be made until the changed EFT information is implemented by the payment office.

#### I.7. DISPUTES (FAR 52.233-1)(OCT 1995)

(a) This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. 601-613).

(b) Except as provided in the Act, all disputes arising under or relating to this contract shall be resolved under this clause.

(c) "Claim," as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this contract. A claim arising under a contract, unlike a claim relating to that contract, is a claim that can be resolved under a contract clause that provides for the relief sought by the claimant. However, a written demand or written assertion by the Contractor seeking the payment of money exceeding \$100,000 is not a claim under the Act until certified as required by subparagraph (d)(2) of this clause. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim under the Act. The submission may be converted to a claim under the Act, by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.

(d)(1) A claim by the Contractor shall be made in writing and, unless otherwise stated in this contract, submitted within 6 years after accrual of the claim to the Contracting Officer for a written decision. A claim by the Government against the Contractor shall be subject to a written decision by the Contracting Officer.

(2)(i) Contractors shall provide the certification specified in subparagraph (d)(2)(iii) of this clause when submitting any claim -

(A) Exceeding \$100,000; or

(B) Regardless of the amount claimed, when using -

(1) Arbitration conducted pursuant to 5 U.S.C. 575-580; or

(2) Any other alternative means of dispute resolution (ADR) technique that the agency elects to handle in accordance with the Administrative Dispute Resolution Act (ADRA).

(ii) The certification requirement does not apply to issues in controversy that have not been submitted as all or part of a claim.

(iii) The certification shall state as follows: "I certify that the claim is made in good faith; that the supporting data are accurate and complete to the best of my knowledge and belief; that the amount requested accurately reflects the contract adjustment for which the Contractor believes the Government is liable; and that I am duly authorized to certify the claim on behalf of the Contractor.

(3) The certification may be executed by any person duly authorized to bind the Contractor with respect to the claim.

(e) For Contractor claims of \$100,000 or less, the Contracting Officer must, if requested in writing by the Contractor, render a decision within 60 days of the request. For Contractor-certified claims over \$100,000, the Contracting Officer must, within 60 days, decide the claim or notify the Contractor of the date by which the decision will be made.

(f) The Contracting Officer's decision shall be final unless the Contractor appeals or files a suit as provided in the Act.

(g) If the claim by the Contractor is submitted to the Contracting Officer or a claim by the Government is presented to the Contractor, the parties, by mutual consent, may agree to use ADR. If the Contractor refuses an offer for alternative disputes resolution, the Contractor shall inform the Contracting Officer, in writing, of the Contractor's specific reasons for rejecting the request. When using arbitration conducted pursuant to 5 U.S.C. 575-580, or when using any other ADR technique that the agency elects to handle in accordance with the ADRA, any claim, regardless of amount, shall be accompanied by the certification described in subparagraph (d)(2)(iii) of this clause, and executed in accordance with subparagraph (d)(3) of this clause.

(h) The Government shall pay interest on the amount found due and unpaid from (1) the date the Contracting Officer receives the claim (certified, if required); or (2) the date that payment otherwise would be due, if that date is later, until the date of payment. With regard to claims having defective certifications, as defined in (FAR) 48 CFR 33.201, interest shall be paid from the date that the Contracting Officer initially receives the claim. Simple interest on claims shall be paid at the rate, fixed by the Secretary of the Treasury as provided in the Act, which is applicable to the period during which the Contracting Officer receives the claim and then at the rate applicable for each 6-month period as fixed by the Treasury Secretary during the pendency of the claim.

(i) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the Contracting Officer.

I.8. SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS  
(FAR 52.244-6) (OCT 1995)

(a) *Definition.*

*Commercial item*, as used in this clause, has the meaning contained in the clause at 52.202-1, Definitions.

Subcontract, as used in this clause, includes a transfer of commercial items between divisions, subsidiaries, or affiliates of the Contractor or subcontractor at any tier.

(b) To the maximum extent practicable, the Contractor shall incorporate, and require its subcontractors at all tiers to incorporate, commercial items or nondevelopmental items as components of items to be supplied under this contract.

(c) Notwithstanding any other clause of this contract, the Contractor is not required to include any FAR provision or clause, other than those listed below to the extent they are applicable and as may be required to establish the reasonableness of prices under Part 15, in a subcontract at any tier for commercial items or commercial components:

(1) 52.222-26, Equal Opportunity (E.O. 11246);

(2) 52.222-35, Affirmative Action for Special Disabled and Vietnam Era Veterans (38 U.S.C. 4212(a));

(3) 52.222-36, Affirmative Action for Handicapped Workers (29 U.S.C. 793); and

(4) 52.247-64, Preference for Privately Owned U.S.-Flagged Commercial Vessels (46

U.S.C. 1241) (flow down not required for subcontracts awarded beginning May 1, 1996).

(d) The Contractor shall include the terms of this clause, including this paragraph (d), in subcontracts awarded under this contract.

I.9. CANCELLATION, RECISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY (FAR 52.203-8) (JAN 1997)

(a) If the Government receives information that a contractor or a person has engaged in conduct constituting a violation of subsection (a), (b), (c), or (d) of section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423) (the Act), as amended by section 4304 of the National Defense Authorization Act for Fiscal Year 1996 (Pub. L. 104-106), the Government may--

(1) Cancel the solicitation, if the contract has not yet been awarded or issued; or

(2) Rescind the contract with respect to which--

(i.) The Contractor or someone acting for the Contractor has been convicted for an offense where the conduct constitutes a violation of subsection 27(a) or (b) of the Act for the purpose of either--

(A) Exchanging the information covered by such subsections for anything of value; or

(B) Obtaining or giving anyone a competitive advantage in the award of a Federal agency procurement contract; or

(ii) The head of the contracting activity has determined, based upon a preponderance of the evidence, that the Contractor or someone acting for the Contractor has engaged in conduct constituting an offense punishable under subsection 27(e)(1) of the Act.

(b) If the Government rescinds the contract under paragraph (a) of this clause, the Government is entitled to recover, in addition to any penalty prescribed by law, the amount expended under the contract.

(c) The rights and remedies of the Government specified herein are not exclusive, and are in addition to any other rights and remedies provided by law, regulation, or under this contract.

PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS  
SECTION J - LIST OF ATTACHMENTS

ATTACHMENTS

Attachment A - Pro-Forma Schedule I - Licensed Certified Public  
Accounting Firm

Attachment B - Pro-Forma Schedule II - Past Performance

Attachment C - Pro-Forma Client Authorization Letter

Attachment D - Pro-Forma Schedule III - Factor 4 - Capability &  
Qualification of the Proposed Audit Team

Attachment E - Labor Category Requirements Summary Chart

Attachment A

**PRO-FORMA SCHEDULE I**  
**FACTOR 1: LICENSED CERTIFIED PUBLIC ACCOUNTING FIRM**

		Answer Yes or No Explain All No Answer on a Separate Page.	
STATE NAME	LICENSE NUMBER	Good Standing with the AICPA, State Boards or Other Regulatory Body	Any Alleged Substandard Work

Use additional lines and pages if necessary

**PRO-FORMA SCHEDULE II  
FACTOR 2 - PAST PERFORMANCE**

CLIENT NAME, CONTACT NAME AND TELEPHONE NUMBER	TOTAL ASSETS OR EXPENSES WHICH EVER GREATER	TYPE OF AUDIT (Put an X in Box)				NAMES AND LABOR CATEGORY OF KEY PERSONNEL ON AUDIT ASSIGNMENT
		FINANCIAL		PERFORMANCE		
		FINANCIAL STATEMENT	FINANCIAL RELATED	ECONOMY & EFFICIENCY	PROGRAM	
<b>FEDERAL</b>						
<b>STATE:</b>						
<b>LOCAL:</b>						
<b>NON-PROFITS</b>						
<b>PRIVATE FOR PROFIT</b>						

Use additional lines and pages if necessary



Attachment C

PRO - FORMA CLIENT AUTHORIZATION LETTER

Dear "Client":

We are currently responding to the U.S. Department of Labor, Office of Inspector General's (Department's) Request for Proposal (RFP) No. \_\_\_\_\_ for the procurement of professional accounting and auditing services. The DOL/OIG is placing increased emphasis in their acquisitions on past performance as a source selection factor. DOL/OIG requires offerors to inform references identified in the proposals that DOL may contact them about past performance information.

If you are contacted by DOL/OIG for information on work we have performed under contract for your company/agency/state or local government, you are hereby authorized to respond to DOL inquiries.

Your cooperation is appreciated. Please direct any questions to \_\_\_\_\_.  
(Offeror's point-of-contact)

Sincerely,

**PRO-FORMA SCHEDULE III**  
**FACTOR 4 - CAPABILITY & QUALIFICATION OF THE PROPOSED AUDIT TEAMS**

NAME	ANNUAL NUMBER OF HOURS AVAILABLE		CPA STATE AND LICENSE NUMBER	YEARS OF EXPERIENCE IN LABOR CATEGORY	NAME , DATE AND SCHOOL OF BACHELOR DEGREE	GOOD STANDING WITH PROFESSIONAL AUTHORITIES	NAME AND NUMBER OF HOURS FOR EACH CPE COURSE 1/1/95 TO 12/31/96		NAME OF GOVERNMENT AUDITING ASSIGNMENTS AND LABOR CATEGORY DURING ASSIGNMENT	NAME OF PROFESSIONAL ORGANIZATIONS EMPLOYEE IS A MEMBER
	TOTAL FOR FIRM	THIS RFP					GOVERNMENT (24 HOURS)	NON-GOV'T (56 HOURS)		
<b>PARTNER</b>										
<b>MANAGER</b>										
<b>SENIOR</b>										
<b>STAFF</b>										
<b>INFORMATION TECHNOLOGY SPECIALIST</b>										

Use additional lines and pages to include all staff.

The following table will be used to evaluate the individuals in the offerors proposed audit team.

REQUIREMENT	LABOR CATEGORY				
	KEY STAFF			STAFF	IT SPECIALIST
	PARTNER	MANAGER	SENIOR		
Experience	7 Years	5 Years	3 Years		3 Years
Government Audit Experience	3 Years	2 Years	1 Year		
CPA	Yes	Yes	Meets CPA Educational Requirements in State Where Employed	Meets CPA Educational Requirements in State Where Employed	
Bachelor Degree in Accounting or Business	Yes	Yes	Yes	Yes	Bachelor Degree
Good Standing, e.g. with AICPA, State Board, Etc.	Yes	Yes	Yes	Yes	Yes
80 Hrs CPE for last 2 years	Yes	Yes	Yes	Yes	
Meets Government CPE Requirement	Yes	Yes	Yes	Yes	
Government Auditing Experience	Yes	Yes	Yes		
Members of Professional Organizations	At Least 50% of Key Staff				

PART IV - REPRESENTATIONS AND INSTRUCTIONS  
SECTION K - REPRESENTATION, CERTIFICATIONS & OTHER STATEMENTS  
OF OFFERORS OR QUOTERS

K.1. CERTIFICATE OF INDEPENDENT PRICE DETERMINATION (FAR 52.203-2)  
(APRIL 1985)

(a) The offeror certifies that:

(1) The prices in this offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating

(i) those prices;

(ii) the intention to submit an offer; or

(iii) the methods or factors used to calculate the prices offered;

(2) The prices in this offer have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and

(3) No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.

(b) Each signature on the offer is considered to be a certification by the signatory that the signatory:

(1) Is the person in the offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above; or

(2) Has been authorized, in writing:

(i) to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above \_\_\_\_\_

\_\_\_\_\_ (insert full name of person(s)  
in the offeror's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the offeror's organization);

(ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above; and

(iii) As an agent, has not personally participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above.

(c) If the offeror deletes or modifies subparagraph (a)(2) above, the offeror must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure.

K.2. CERTIFICATION AND DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (FAR 52.203-11) (APR 1991)

(a) The definitions and prohibitions contained in the clause, at FAR 52.203-12, Limitation on Payments to Influence Certain Federal Transactions, included in this solicitation, are hereby incorporated by reference in paragraph (b) of this certification.

(b) The offeror, by signing its offer, hereby certifies to the best of his or her knowledge and belief that on or after December 23, 1989,--

(1) No Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement;

(2) If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with this solicitation, the offeror shall complete and submit, with its offer, OMB standard form LLL, Disclosure of Lobbying Activities, to the Contracting Officer; and

(3) He or she will include the language of this certification in all subcontract awards at any tier and require that all recipients of subcontract awards in excess of \$100,000 shall certify and disclose accordingly.

(c) Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by section 1352, Title 31, United States Code. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000,

and not more than \$100,000, for each such failure.

K.3. TAXPAYER IDENTIFICATION (FAR 52.204-3) (MAR 1994)

(a) *Definitions.*

“Common parent,” as used in this solicitation provision, means that corporate entity that owns or controls an affiliated group of corporations that files its Federal income tax returns on a consolidated basis, and of which the offeror is a member.

“Corporate status,” as used in this solicitation provision, means a designation as to whether the offeror is a corporate entity, an unincorporated entity (e.g., sole proprietorship or partnership), or a corporation providing medical and health care services.

“Taxpayer Identification Number (TIN),” as used in this solicitation provision, means the number required by the IRS to be used by the offeror in reporting income tax and other returns.

(b) All offerors are required to submit the information required in paragraphs (c) through (e) of this solicitation provision in order to comply with reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M and implementing regulations issued by the Internal Revenue Service (IRS). If the resulting contract is subject to reporting requirements described in FAR 4.903, the failure or refusal by the offeror to furnish the information may result in a 31 percent reduction of payments otherwise due under the contract.

(c) *Taxpayer Identification Number (TIN).*

\_\_\_ TIN: \_\_\_\_\_.

\_\_\_ TIN has been applied for.

\_\_\_ TIN is not required because:

\_\_\_ Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the U.S. and does not have an office or place of business or a fiscal paying agent in the U.S.;

\_\_\_ Offeror is an agency or instrumentality of a foreign government;

\_\_\_ Offeror is an agency or instrumentality of a Federal, state or local government;

\_\_\_ Other. State basis. \_\_\_\_\_

(d) *Corporate Status.*

\_\_\_ Corporation providing medical and health care services, or engaged in the billing and collecting of payments for such services;

\_\_\_ Other corporate entity;

\_\_\_ Not a corporate entity;

\_\_\_ Sole proprietorship

\_\_\_ Partnership

\_\_\_ Hospital or extended care facility described in 26 CFR 501(c)(3) that is exempt from taxation under 26 CFR 501(a).

(e) *Common Parent.*

\_\_\_ Offeror is not owned or controlled by a common parent as defined in paragraph (a) of this clause.

\_\_\_ Name and TIN of common parent:

Name \_\_\_\_\_

TIN \_\_\_\_\_

K.4. WOMEN-OWNED BUSINESS (FAR 52.204-5) (OCT 1995)

(a) Representation. The offeror represents that it \_\_\_ is, \_\_\_ is not a women-owned business concern.

(b) *Definition.* "Women-owned business concern," as used in this provision, means a concern which is at least 51 percent owned by one or more women; or in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and whose management and daily business operations are controlled by one or more women.

K.5 . CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY MATTERS (FAR 52.209-5) (MAR 1996)

(a) The Offeror certifies:

(1) to the best of its knowledge and belief, that:



(i) The Offeror and/or any of its Principals:

(A) Are ( ) are not ( ) presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;

(B) Have ( ) have not ( ), within a 3-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and

(C) Are ( ) are not ( ) presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in subdivision (a)(1)(i)(B) of this provision.

(ii) The Offeror has ( ) has not ( ), within a 3-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.

(2) "Principals," for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

This certification concerns a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under section 1001, title 18, United States Code.

(b) The Offeror shall provide immediate written notice to the Contracting Officer if, at any time prior to contract award, the Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

(c) A certification that any of the items in paragraph (a) of this provision exists will not necessarily result in withholding of an award under this solicitation. However, the certification will be considered in connection with a determination of the Offeror's responsibility. Failure of the Offeror to furnish a certification or provide such additional information as requested by the Contracting Officer may render the Offeror nonresponsible.

(d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly rendered an erroneous certification, in addition to other remedies available to the Government, the Contracting Officer may terminate the contract resulting from this solicitation for default.

K.6. TYPE OF BUSINESS ORGANIZATION (FAR 52.215-6) (JUL 1987)

The offeror or quoter, by checking the applicable box, represents that:

- (a) It operates as \_\_\_ a corporation incorporated under the laws of the State of \_\_\_\_\_, \_\_\_ an individual, \_\_\_ a partnership, \_\_\_ a nonprofit organization, or \_\_\_ a joint venture; or
- (b) If the offeror or quoter is a foreign entity, it operates as \_\_\_ an individual, \_\_\_ a partnership, \_\_\_ a nonprofit organization, \_\_\_ a joint venture, or \_\_\_ a corporation, registered for business in \_\_\_\_\_ (country).

K.7. AUTHORIZED NEGOTIATORS (FAR 52.215-11) (APR 1984)

The offeror or quoter represents that the following persons are authorized to negotiate on its behalf with the Government in connection with this request for proposals or quotations:

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\_\_\_\_\_ (list names, titles, and telephone numbers of the authorized negotiators).

K.8. PERIOD FOR ACCEPTANCE OF OFFER (FAR 52.215-19) (APR 1984)

In compliance with the solicitation, the offeror agrees, if this offer is accepted within 365 calendar days from the date specified in the solicitation for receipt of offers, to furnish any or all items on which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the Schedule.

K.9. SMALL BUSINESS PROGRAM REPRESENTATIONS (FAR 52.219-1) (JAN 1997)

- (a) (1) The standard industrial classification (SIC) code for this acquisition is **8721**.
- (2) The small business size standard is a concern having average annual sales or receipts for its preceding three fiscal years not exceeding \$6.0 million per annum.
- (3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.

(b) *Representations.*

(1) The offeror represents as part of its offer that it ( ) is, ( ) is not a small business concern.

(2) (Complete only if offeror represented itself as a small business concern in block (b)(1) of this section.) The offeror represents as part of its offer that it ( ) is, ( ) is not a small disadvantaged business concern.

(3) (Complete only if offeror represented itself as a small business concern in block (b)(1) of this section.) The offeror represents as part of its offer that it ( ) is, ( ) is not a women-owned small business concern.

(c) *Definitions.*

*Joint venture*, for purposes of a small disadvantaged business (SDB) set-aside or price evaluation preference (as prescribed at 13 CFR 124.321), is a concern that is owned and controlled by one or more socially and economically.

*Small business concern*, as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR Part 121 and the size standard in paragraph (a) of this provision.

*Small disadvantaged business concern*, as used in this provision, means a small business concern that (1) is at least 51 percent unconditionally owned by one or more individuals who are both socially and economically disadvantaged, or a publicly owned business having at least 51 percent of its stock unconditionally owned by one or more socially and economically disadvantaged individuals, and (2) has its management and daily business controlled by one or more such individuals. This term also means a small business concern that is at least 51 percent unconditionally owned by an economically disadvantaged Indian tribe or Native Hawaiian Organization, or a publicly owned business having at least 51 percent of its stock unconditionally owned by one or more of these entities, which has its management and daily business controlled by members of an economically disadvantaged Indian tribe or Native Hawaiian Organization, and which meets the requirements of 13 CFR Part 124.

*Women-owned small business concern*, as used in this provision, means a small business concern--

(1) Which is at least 51 percent owned by one or more women or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and

(2) Whose management and daily business operations are controlled by one or more women.

(d) *Notice.*

(1) If this solicitation is for supplies and has been set aside, in whole or in part, for small business concerns, then the clause in this solicitation providing notice of the set-aside contains restrictions on the source of the end items to be furnished.

(2) Under 15 U.S.C. 645(d), any person who misrepresents a firm's status as a small or small disadvantaged business concern in order to obtain a contract to be awarded under the preference programs established pursuant to sections 8(a), 8(d), 9, or 15 of the Small Business Act or any other provision of Federal law that specifically references section 8(d) for a definition of program eligibility, shall--

(i) Be punished by imposition of fine, imprisonment, or both;

(ii) Be subject to administrative remedies, including suspension and debarment; and

(iii) Be ineligible for participation in programs conducted under the authority of the Act.

K.10. EQUAL LOW BIDS (FAR 52.219-2) (OCT 1995)

(a) This provision applies to small business concerns only.

(b) The bidder's status as a labor surplus area (LSA) concern may affect entitlement to award in case of tie bids. If the bidder wishes to be considered for this priority, the bidder must identify, in the following space, the LSA in which the costs to be incurred on account of manufacturing or production (by the bidder or the first-tier subcontractors) amount to more than 50 percent of the contract price.

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(c) Failure to identify the labor surplus area as specified in paragraph (b) of this provision will preclude the bidder from receiving priority consideration. If the bidder is awarded a contract as a result of receiving priority consideration under this provision and would not have otherwise received award, the bidder shall perform the contract or cause the contract to be performed in accordance with the obligations of an LSA concern.

**K.11. CERTIFICATION OF NONSEGREGATED FACILITIES (FAR 52.222-21) (APR 1984)**

(a) "Segregated facilities," as used in this provision, means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees, that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin because of habit, local custom, or otherwise.

(b) By the submission of this offer, the offeror certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The offeror agrees that a breach of this certification is a violation of the Equal Opportunity clause in the contract.

(c) The offeror further agrees that (except where it has obtained identical certifications from proposed subcontractors for specific time periods) it will--

(1) Obtain identical certifications from proposed subcontractors before the award of subcontracts under which the subcontractor will be subject to the Equal Opportunity clause;

(2) Retain the certifications in the files; and

(3) Forward the following notice to the proposed subcontractors (except if the proposed subcontractors have submitted identical certifications for specific time periods):

**NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR  
CERTIFICATIONS OF NONSEGREGATED FACILITIES.**

A Certification of Nonsegregated Facilities must be submitted before the award of a subcontract under which the subcontractor will be subject to the Equal Opportunity clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (*i.e.*, quarterly, semiannually, or annually).

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

**K.12. PREVIOUS CONTRACTS AND COMPLIANCE REPORTS (FAR 52.222-22) (APR 1984)**

The offeror represents that:

(a) It \_\_\_ has, \_\_\_ has not participated in a previous contract or subcontract subject either to the Equal Opportunity clause of this solicitation, the clause originally contained in Section 310

of Executive Order No. 10925, or the clause contained in Section 201 of Executive Order No. 11114;

(b) It \_\_\_ has, \_\_\_ has not, filed all required compliance reports; and

(c) Representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

K.13. AFFIRMATIVE ACTION COMPLIANCE (FAR 52.222-25) (APR (1984)

The offeror represents that:

(a) It \_\_\_ has developed and has on file, \_\_\_ has not developed and does not have on file, at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2); or

(b) it \_\_\_ has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.

K.14. CLEAN AIR AND WATER CERTIFICATION (FAR 52.223-1) (APR 1984)

The Offeror certifies that:

(a) Any facility to be used in the performance of this proposed contract is \_\_\_ , is not \_\_\_ listed on the Environmental Protection Agency (EPA) List of Violating Facilities;

(b) The Offeror will immediately notify the Contracting Officer, before award, of the receipt of any communication from the Administrator, or a designee, of the EPA, indicating that any facility that the Offeror proposes to use for the performance of the contract is under consideration to be listed on the EPA List of Violating Facilities; and

(c) The Offeror will include a certification substantially the same as this certification, including this paragraph (c), in every nonexempt subcontract.

K.15. CERTIFICATION OF TOXIC CHEMICAL RELEASE REPORTING (FAR 52.223-13) (OCT 1996)

(a) Submission of this certification is a prerequisite for making or entering into this contract imposed by Executive Order 12969, August 8, 1995.

(b) By signing this offer, the offeror certifies that--

(1) As the owner or operator of facilities that will be used in the performance of

this contract that are subject to the filing and reporting requirements described in section 313 of the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA) (42 U.S.C. 11023) and section 6607 of the Pollution Prevention Act of 1990 (PPA) (42 U.S.C. 13106), the offeror will file and continue to file for such facilities for the life of the contract the Toxic Chemical Release Inventory Form (Form R) as described in sections 313(a) and (g) of EPCRA and section 6607 of PPA; or--

(2) None of its owned or operated facilities to be used in the performance of this contract is subject to the Form R filing and reporting requirements because each such facility is exempt for at least one of the following reasons: (Check each block that is applicable.)

(i) The facility does not manufacture, process, or otherwise use any toxic chemicals listed under section 313(c) of EPCRA, 42 U.S.C. 11023(c);

(ii) The facility does not have 10 or more full-time employees as specified in section 313(b)(1)(A) of EPCRA, 42 U.S.C. 11023(b)(1)(A);

(iii) The facility does not meet the reporting thresholds of toxic chemicals established under section 313(f) of EPCRA, 42 U.S.C. 11023(f) (including the alternate thresholds at 40 CFR 372.27, provided an appropriate certification form has been filed with EPA);

(iv) The facility does not fall within Standard Industrial Classification Code (SIC) designations 20 through 39 as set forth in Section 19.102 of the Federal Acquisition Regulation; or

(v) The facility is not located within any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Northern Mariana Islands, or any other territory or possession over which the United States has jurisdiction.

K.16. BUY AMERICAN CERTIFICATE (FAR 52.225-1) (DEC 1989)

The offeror certifies that each end product, except those listed below, is a domestic end product (as defined in the clause entitled Buy American Act - Supplies), and that components of unknown origin are considered to have been mined, produced, or manufactured outside the United States.

Excluded End Products	Country of Origin
_____	_____
_____	_____
_____	_____

(List as necessary)

Offerors may obtain from the contracting officer lists of articles, materials, and supplies excepted from the Buy American Act.

**K.17. COST ACCOUNTING STANDARDS NOTICES AND CERTIFICATION**  
**(FAR 52.230-1 (APR 1996))**

Note: This notice does not apply to small businesses or foreign governments. This notice is in three parts, identified by Roman numerals I through III. If the offeror is an educational institution, Part II does not apply unless the contemplated contract will be subject to full or modified CAS coverage pursuant to 48 CFR 9903.201-2(c)(5) or 9903.201-2(c)(6), respectively.

**I. Disclosure Statement - Cost Accounting Practices and Certification**

(a) Any contract in excess of \$500,000 resulting from this solicitation, except contracts in which the price negotiated is based on (1) established catalog or market prices of commercial items sold in substantial quantities to the general public, or (2) prices set by law or regulation, will be subject to the requirements of The Cost Accounting Standards Board (48 CFR Chapter 99), except for those contracts which are exempt as specified in 48 CFR 9903.201-1.

(b) Any offeror submitting a proposal which, if accepted, will result in a contract subject to the requirements of 48 CFR Chapter 99 must, as a condition of contracting, submit a Disclosure Statement as required by 48 CFR 9903.202. When required, the Disclosure Statement must be submitted as a part of the offeror's proposal under this solicitation unless the offeror has already submitted a Disclosure Statement disclosing the practices used in connection with the pricing of this proposal. If an applicable Disclosure Statement has already been submitted, the offeror may satisfy the requirement for submission by providing the information requested in paragraph (c) of Part I of this provision.

**CAUTION:** In the absence of specific regulations or agreement, a practice disclosed in a Disclosure Statement shall not, by virtue of such disclosure, be deemed to be a proper, approved, or agreed-to-practice for pricing proposals or accumulating and reporting contract performance cost data.

(c) Check the appropriate box below:

\_\_\_\_\_ (1) *Certificate of Concurrent Submission of Disclosure Statement.*

The offeror hereby certifies that, as a part of the offer, copies of the Disclosure Statement have been submitted as follows: (i) original and one copy to the cognizant Administrative Contracting Officer (ACO), or cognizant Federal agency official authorized to act in that capacity (Federal official), as applicable, and (ii) one copy to the cognizant Federal auditor.

(Disclosure must be on Form No. CASB DS-1 or CASB-DS-2, as applicable. Forms may be



obtained from the cognizant ACO or Federal official and/or from the loose-leaf version of the Federal Acquisition Regulation.)

Date of Disclosure Statement:

---

Name and Address of Cognizant ACO or Federal Official Where Filed:

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The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the Disclosure Statement.

\_\_\_\_\_ (2) *Certificate of Previously Submitted Disclosure Statement.*

The offeror hereby certifies that the required Disclosure Statement was filed as follows:

Date of Disclosure Statement:

---

Name and Address of Cognizant ACO or Federal Official Where Filed:

---

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the applicable Disclosure Statement.

\_\_\_\_\_ (3) *Certificate of Monetary Exemption.*

The offeror hereby certifies that the offeror, together with all divisions, subsidiaries, and affiliates under common control, did not receive net awards of negotiated prime contracts and subcontracts subject to CAS totaling more than \$25 million (of which at least one award exceeded \$1 million) in the cost accounting period immediately preceding the period in which this proposal was submitted. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

\_\_\_\_\_ (4) *Certificate of Interim Exemption.*

The offeror hereby certifies that (i) the offeror first exceeded the monetary exemption for disclosure, as defined in (3) of this subsection, in the cost accounting period immediately preceding the period in which this offer was submitted and (ii) in accordance with 48 CFR

9903.202-1, the offeror is not yet required to submit a Disclosure Statement. The offeror further certifies that if an award resulting from this proposal has not been made within 90 days after the end of that period, the offeror will immediately submit a revised certificate to the Contracting Officer, in the form specified under subparagraph (c)(1) or (c)(2) of Part I of this provision, as appropriate, to verify submission of a completed Disclosure Statement.

**CAUTION:** Offerors currently required to disclose because they were awarded a CAS-covered prime contract or subcontract of \$25 million or more in the current cost accounting period may not claim this exemption (4). Further, the exemption applies only in connection with proposals submitted before expiration of the 90-day period following the cost accounting period in which the monetary exemption was exceeded.

## II. Cost Accounting Standards - Eligibility for Modified Contract Coverage

If the offeror is eligible to use the modified provisions of 48 CFR 9903.201-2(b) and elects to do so, the offeror shall indicate by checking the box below. Checking the box below shall mean that the resultant contract is subject to the Disclosure and Consistency of Cost Accounting Practices clause in lieu of the Cost Accounting Standards clause.

\_\_\_\_\_ The offeror hereby claims an exemption from the Cost Accounting Standards clause under the provisions of 48 CFR 9903.201-2(b) and certifies that the offeror is eligible for use of the Disclosure and Consistency of Cost Accounting Practices clause because during the cost accounting period immediately preceding the period in which this proposal was submitted, the offeror received less than \$25 million in awards of CAS-covered prime contracts and subcontracts, or the offeror did not receive a single CAS-covered award exceeding \$1 million. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

**CAUTION:** An offeror may not claim the above eligibility for modified contract coverage if this proposal is expected to result in the award of a CAS-covered contract of \$25 million or more or if, during its current cost accounting period, the offeror has been awarded a single CAS-covered prime contract or subcontract of \$25 million or more.

## III. Additional Cost Accounting Standards Applicable to Existing Contracts.

The offeror shall indicate below whether award of the contemplated contract would, in accordance with subparagraph (a)(3) of the Cost Accounting Standards clause, require a change in established cost accounting practices affecting existing contracts and subcontracts.

\_\_\_ Yes \_\_\_ No.

**STATEMENTS**

**K.18. CONTRACTORS PAYMENT ADDRESS**

The Offeror shall indicate below the address to which Government checks in payment of the invoices submitted under any resultant contract should be mailed:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Alternately, offerors may submit data required for electronic transfer of funds, see FAR 52.232-28, in Section I.

**K.19. CONTACT FOR CONTRACT ADMINISTRATION**

Please designate below the person(s) who the Government may contact for prompt action on matters pertaining to administration of any contract that may result from this solicitation.

**AUTHORIZED ADMINISTRATOR:**

NAME \_\_\_\_\_

TITLE \_\_\_\_\_

FIRM \_\_\_\_\_

ADDRESS \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

ZIP CODE \_\_\_\_\_

FAX NO. (\_\_\_\_) \_\_\_\_\_ TELEPHONE NO: (\_\_\_\_) \_\_\_\_\_

SIGNATURE

I certify that these representations, certifications and other statements are complete and accurate to the best of my information, knowledge and belief.

---

NAME OF OFFEROR

---

DATE

---

SIGNATURE OF PERSON  
AUTHORIZED TO SIGN

---

PRINTED NAME OF PERSON  
AUTHORIZED TO SIGN

PART IV - REPRESENTATIONS AND INSTRUCTIONS  
SECTION L - INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS

L.1 GENERAL

The technical and management plans should present the information necessary to provide a basis for the evaluation by the Government of your technical and managerial qualifications and proposed solutions to technical problems. The proposal will be evaluated in the light of the material and substantiating evidence presented in the proposal and not on the basis of what is implied.

FAILURE TO COMPLY WITH THESE DIRECTIONS MAY RESULT IN DOWNGRADING THE SCORE AND FAILURE TO BE INCLUDED IN THE COMPETITIVE RANGE.

Your proposal shall consist of :

- a) an original and six (6) copies of the technical/management proposal, and
- b) an original and two (2) copies of the business management proposal.

**Responses shall be submitted so that the Request for Proposal, including price proposal, are physically separate from the technical proposal.** The pricing proposal shall be completely separate from the technical/management proposal and shall contain all information relative to cost and pricing. No cost information shall be included in the technical/management proposal.

The offeror must submit a comprehensive technical proposal and price data to provide a basis for sound evaluation by the Government. The information provided shall be concise, factual and complete. The offeror must submit a technical proposal in compliance with the Government's requirements.

While it is agreed that all technical considerations cannot be presented in the technical proposal, the proposal must be adequate to demonstrate how the offeror proposes to comply with the requirements of this solicitation, along with a full explanation of techniques and procedures to be followed.

The Government reserves the right to make the award without discussion of the proposals received under this solicitation. Accordingly, you should submit your proposal on the most favorable terms possible from both a technical and pricing standpoint.

The proposal will become the property of the Government and will not be returned. If the proposal contains information that you do not wish to be disclosed to the public or to be used by the Government for any purposes other than evaluation of the proposal, such restriction shall be clearly indicated on each sheet containing such information.

Offerors are reminded that information furnished under this solicitation is subject to disclosure under the Freedom of Information Act. However, all items that are confidential to business, or contain trade secrets, proprietary, or personnel information should be clearly marked, since these items may be exempt from disclosure. Although the Office of Inspector General will consider all input provided by Bidders/Offerors, the OIG will make all final determinations regarding the release of materials under the FOIA, the applicability of any exception and the requirements of FAR 24.202.

## L.2. INSTRUCTIONS FOR BUSINESS MANAGEMENT PROPOSAL

The Business Management proposal shall be **completely separate** from the technical proposal. The data and information should be keyed to each paragraph of the requirements outlined below. The OIG is not limited to the contents of the proposal in evaluating the business management qualifications of the offeror.

### (a) Administrative Data

1. The offeror shall state its place(s) of business, identifying the street address(es), and the name and address of the owner and operator of any facilities other than the offeror's when it is reasonably expected that such facilities will be used in the performance of the contract. If subcontract and/or joint venture arrangements are proposed, the street address(es) of participating firm(s) are to be identified here.

2. The offeror shall indicate if its has the necessary financial capacity, working capital and other resources to perform the contract without assistance from any outside source (if not, indicate the amount required and the anticipated source).

3. The offeror shall describe its organizational structure and identify the business (street) address(es) of the firm(s) that will perform audits and audit-related services as a result of this proposal [the street address(es), including those for firms participating under any joint venture and subcontract arrangements, are to be provided in the Business Management Proposal]. For each business address included, identify the number of permanent full- or part-time (see Article L.3.), per diem and/or subcontractor employees for each labor-hour category (Partner thru Staff) working at or "out of" this location. If a group of firms is proposed, this information will be provided for each firm, and the "responsible firm" shall be identified.

4. If subcontracting is proposed, provide a description of the services subcontractors will provide and your management plan to direct and control their work. Note: Offerors should be aware that, although subcontractors may play a strong supplemental role in components of the work under this contract, including the work of specialists, **the use of subcontracting cannot be so extensive as to prevent the prime contractor from qualifying as the principal auditor under generally accepted government auditing standards.**

5. If subcontract and/or joint venture arrangements are proposed, the proposed arrangements shall be described here. A copy of a legally accepted agreement indicating such an arrangement must be included with the Business Management Proposal.

(b) Offeror Certifications

The offeror shall complete and submit the certifications included in SECTION K of this Request for Proposal.

(c) Licenses and/or Certifications

The offeror shall provide documentation regarding offeror and individual licenses and/or certifications required by the Technical Proposal.

(d) Financial Statements

Offerors are required to submit their most recent balance sheets and profit and loss statement.

(e) Cost and Pricing Data

Offerors must propose an hourly rate for each category of labor in the Contract Schedule (Section B). The offeror shall support the proposed labor rates with breakdowns which include direct labor costs, all applicable indirect costs, and profit at a level of detail sufficient for the Department to evaluate the reasonableness of the proposed labor rates. The proposed hourly rates must include all costs for which the offeror expects reimbursement. Except for:

- (1) out-of-town, overnight travel costs other than any related to work in the Washington, D.C. metropolitan area, and
- (2) other approved direct costs which will be reimbursed separately,

The Contracting Officer reserves the right to request the completion of Standard Form 1411 (10/83), Contracting Pricing Proposal Cover, at a later date, if necessary.

(f.) Small Business Size Standard

The Contracting Officer has determined that the services described herein are classified under the Standard Industrial Classification (SIC) Manual as Number 8721, and a concern having average annual sales or receipts for its preceding three fiscal years not exceeding \$6.0 million per annum is classified as a Small Business Concern.

(g.) Preaward Survey

The Government reserves the right to conduct any necessary surveys of offerors' facilities for the purpose of determining offeror's responsibility. Offerors may be required to provide a users list of Government and Commercial organizations utilizing the same or similar services as required under this solicitation.

(h.) Period for Acceptance of Offer

Proposals offering less than 365 calendar days for acceptance by the Government calculated from the date designated for receipt of offers will be considered non-responsive and will be rejected.

Cost/price will be evaluated separately. You will be evaluated on the basis of your aggregate total price for the total requirement for full scope financial statement audits and other audit services over the projected contract life. Estimated travel costs and hourly rates for other related professional services will not be evaluated.

Offerors may quote any trade and/or special discounts that they desire to offer to the Government. All trade and/or special discounts, except prompt payment discounts, will be considered in the evaluation of offers.

L.3. TECHNICAL/MANAGEMENT PROPOSAL

(a) General

In the Technical/Management proposal, you will set forth in detail the technical/management plans by which you intend to provide the services described in Section C. Technical merit is ***significantly*** more important than cost. The Government reserves the right to award a contract to a technically superior offeror who is higher in cost. When technical proposals are evaluated as ***essentially*** equal, cost may be the deciding factor.

This description will be an important factor in the Government's selection process since the information provides a basis for the evaluation by the Government of your ability to provide the services described in this solicitation. A complete, well-prepared technical/management proposal will have the following characteristics:

1. It will give precedence to substance in the form of verifiable facts and not be unnecessarily elaborate. Graphics will be minimized and used only where necessary to achieve complete understanding.
2. It will clearly follow the format of Section M, Evaluation Factors for Award, when preparing the proposal - including what the factors are, any associated mandatory or minimum requirements, and the relative weights.



3. It will be divided into clearly-marked sections. Each section will be clearly labeled following the outline below and will contain all of the information requested.

(b) Mandatory Technical Criteria

Provide an affirmative response for each factor and subfactor listed in M.4. STEP 2 - TECHNICAL EVALUATION AND RANKING that describes At a minimum. For example,

Factor 1: Licensed Certified Public Accounting Firm states that at a minimum:

(a) The offeror must provide evidence they are a licensed certified public accounting firm in at least one state and in good standing in all states.

(b) Offerors should have no instances of alleged substandard work as evidenced by reports to State licensing bodies made on or after January 1, 1990.

The offeror should list the factor and number and make an affirmative response that they meet this minimum requirement.

(c) Technical Evaluation Factors and Subfactors

The following technical factors will be the basis for evaluation of the technical proposals.

1. Licensed Certified Public Accounting Firm
2. Technical Experience
3. Past Performance
4. Capability and Qualifications of the Proposed Audit Team
5. Audit Approach and Work Plan

**FACTOR 1: LICENSED CERTIFIED PUBLIC ACCOUNTING FIRM**

The offeror must be a certified public accounting firm, licensed in one or more states to provide audit services and in good standing with the AICPA, State Boards or other regulatory body. Because audit services may be required in many states, the offeror should provide a list and evidence that they are licensed certified public accounting firm in the states they hold licenses.

At a minimum, the offeror must provide evidence they are a licensed certified public accounting firm in at least one state and in good standing in all states. All offerors should also affirm that there have been no instances of alleged substandard work as evidenced by reports to State licensing bodies made on or after January 1, 1990, or provide a brief summary and copies of all such reports, including any letter of comment and/or related response for any of the key personnel on the proposed audit team. **Each offeror must prepare Proforma Schedule I (Attachment A) in Section J - Attachments.**

**FACTOR 2 - TECHNICAL EXPERIENCE:**

**Subfactor 2A:** A detailed narrative describing the offeror's experience within the past 3 years in performing full scope financial statement audits for Federal, state or local agencies or Federal corporations, and/or large private sector clients. Audits for the private sector clients shall have been prepared in accordance with generally accepted auditing standards and those for Federal, state or local entities shall have been prepared in accordance with the standards for financial audits contained in the Generally Accepted Government Auditing Standards (i.e., chapters 3, 4 and 5 of the "Yellow Book".)

For Subfactor 2A, offeror shall provide all audit experience requested. The list should include **ALL AUDITS** for the last 3 years issued in final between January 1, 1994 to March 31, 1997. Do not include non-audit services. **Each offeror must prepare Proforma Schedule II. (Attachment B) found in Section J - Attachments.**

At a minimum, the offeror must demonstrate experience in performing at least one full scope financial statement audit prepared in accordance with the standards for financial audits contained in the Generally Accepted Government Auditing Standards for a Federal, state or local entities. The audit shall have been, within the past 3 years in accordance with those auditing standards cited above.

**Subfactor 2B:** The offeror shall provide a detailed narrative describing its technical and professional expertise/capability in the following areas and a positive statement of affirmation that this expertise will be made available to perform the work described in the Statement of Work.

1. Auditing Automated/Electronic Accounting and Financial Management Systems  
This should describe the offeror's background and experience of auditing automated accounting and financial management systems. Particular emphasis should be given to describing automated systems audits of large accounting operations, especially of federal agencies.
2. EDP Auditing Techniques - This should describe the offeror's experience in using automated/electronic auditing techniques on a financial statement audit, including specific mention of software packages used to perform automated/electronic audit procedures.
3. Identifying Relevant Laws and Regulations and Assessing Compliance - This should describe the offeror's background (which could include the use of attorneys) and experience in identifying relevant Federal laws and regulations and assessing compliance. Particular emphasis should be given to describing experience in assessing violations of laws and regulations in the context of a financial statement audit, especially of Federal agencies.

4. **Statistical Sampling:** This should describe the offeror's experience in applying statistical sampling methodologies, including statistical sampling software, to select and perform audit test procedures. Offerors should include a specific discussion of the statistical sampling methodologies it has used and its basis for selecting those methodologies.

At a minimum, the offeror must demonstrate through narrative descriptions/discussions that it has expertise/capability in all areas described above and make a positive statement of affirmation that the expertise/capability described/discussed in its narrative will be made available to perform the work described in the Statement of Work of this solicitation.

**Subfactor 2C, Quality Control:** Offeror shall provide a copy of its most recent peer review and a positive statement of affirmation that all licensed staff who will be assigned by the offeror to perform the work described in the Statement of Work of this solicitation are in good standing with all applicable state boards of accountancy or state licensing boards, and the AICPA.

At a minimum, an offeror must have had at least one peer review conducted during the 3-year period beginning January 1, 1994 through December 31, 1996, that did not result in an adverse opinion. A copy of the firm's most recent peer review report, including any letter of comment and/or related response shall be provided.

### **FACTOR 3 - PAST PERFORMANCE**

In this section, please submit the information requested in Items 3A. and 3B. below for both the offeror and proposed major subcontractors. **The government will use this information to assess how well the Contractor has performed in the past (past performance) and to determine how relevant the work performed is to the requirements in this solicitation (technical experience).**

#### **Subfactor 3A: At a minimum:**

**Each offeror must prepare Proforma Schedule II. (Attachment B) found in Section J - Attachments.**

**Client Authorization Letters (Attachment C, Section J - Attachments) must be mailed to individual references no later than five (5) work days after proposal submission.**

**Subfactor 3B: At a minimum:** In addition, statements on the quality of a firm's audit work from at least three major audit customers *and* any work with a Federal Office of Inspector General from the last year should also be provided on the customer's letterhead. The offeror should also include a listing of the staff that worked on these projects to be compared to the proposed audit team members experience and qualifications.

Each offeror will be evaluated on his/her performance under existing and prior contracts for similar products or services. Performance information will be used for both responsibility determinations and as an evaluation factor against which offeror's relative rankings will be compared to assure best value to the Government. The Government will focus on information that demonstrates quality of performance relative to the size and complexity of the procurement under consideration. References other than those identified by the offeror may be contacted by the Government with the information received used in the evaluation of the offeror's past performance.

Information used will be obtained from the references listed in the proposal, other customers known to the Government, consumer protection organizations, and others who may have useful and relevant information. Information will also be considered regarding any significant subcontractors, and key personnel records.

#### **FACTOR 4 - CAPABILITY & QUALIFICATION OF THE PROPOSED AUDIT TEAMS**

The proposal should demonstrate that the offeror has sufficient resources to readily and competently perform the work described in the Statement of Work.

If an offeror, or the key personnel on the proposed audit team, does not have a past performance history, does not have a history of quality audit work, *or there is little or no relationship to the key personnel with the prior audit experience and the key members of the proposed audit team*, the offeror's proposal will be determined non-responsive to the RFP and will be eliminated from the evaluation and given no further consideration.

**To support the sub-factor minimums each offeror must prepare Proforma Schedule III located in Attachment D in Section J - Attachments. Audit team requirements for experience and educational factors are summarized on the Labor Category Requirements Chart, Attachment D located in Section J - Attachments.**

**Subfactor 4A:** Sufficient number and mix of professional personnel by labor category is necessary to provide the minimum level of service during a year. The offeror should estimate total staff resources required for a year for all firm business and the percentage of the firms total staff resources to be provided by the proposed audit team.

At a minimum, The offeror should also list the amount of time in hours for each member of the proposed audit team and how they will support the following minimum required available hours:

<u>Labor Category</u>	<u>Hours</u>
Partner	1,000
Manager	2,000

Senior	3,000
Staff	6,000
IT Specialist	1,000
Audit Specialist*	<u>N/A</u>
Total	<u>13,000</u>

\*List the types of audit specialist that the firm will be able to supply.

Any firm not being able to provide enough staff for each labor category will be determined non-responsive to the RFP and will be eliminated from the evaluation and given no further consideration. All offerors should affirm that they do not have a record of substandard audit work for your key personnel (partners, managers, seniors, ADP specialist, audit specialists) on the proposed audit team.

**Subfactor 4B.** Position and years of auditing experience with the firm or other Independent Public Accountants.

At a minimum, The Offeror must present the resumes for the individuals proposed. The minimum total number of years of auditing experience for persons assigned to this audit is 7 years for partners, 5 years for managers, 3 years for seniors and 3 years for ADP auditors. Each offeror must prepare Proforma Schedule III.

**Subfactor 4C.** Auditing services experience of the type requested by this RFP, including Federal, state or local government agencies or Federal corporations.

At a minimum, the offeror must present all information demonstrating that audit team members auditing Federal, state or local agencies or Federal Corporations have experience of 3 year for partners, 2 year for managers, and 1 year for seniors.

**Subfactor 4D.** Education (including college degrees, advanced degrees/JD, professional certifications) and training (including a list of the types/description of continuing education courses and total hours for each of the past 3 years.)

At a minimum, everyone assigned to this audit team must have a 4 year college degree and shall have met the continuing education requirement of the Generally Accepted Government Auditing Standards for the most recent two calendar years and all of the audit team's partners and managers are CPA's and the seniors and staff are either CPAs or meet the CPA educational requirements in the state where employed.

**Subfactor 4E.** This subfactor considers membership in professional organizations, books or articles published, speeches given or awards received, all of which must be related to the field of accounting and/or auditing.

At a minimum, information provided must demonstrate that at least 50% of the proposed audit team are members of recognized professional organizations; e.g., AICPA, AGA, NAA. Additional consideration will be given where those members of the audit team have also published an article in a professional journal or equivalent; e.g., The Journal of Accountancy; taught or lectured on accounting or auditing issues through a university, professional society, training institution or in-house training program.

If members of the proposed audit team do not meet the minimum qualifications as specified above they will be eliminated from the offerors proposal and will be removed as support for any other areas of the offerors proposal where the individual is used to support the RFP requirements.

## **FACTOR 5 - AUDIT APPROACH AND WORK PLAN**

The offeror must demonstrate an understanding of the scope of the work to be done and a sound technical approach.

**Subfactor 5A.** The offeror shall provide a narrative description of his understanding of the reporting requirement described in the CFO Act, GMRA and OMB Bulletin 93-06. Additionally, the narrative should include a description and indication of the offeror's ability to utilize generally accepted auditing standards, Generally Accepted Government Auditing Standards for financial statement audits, and the requirements of OMB Bulletin 93-06.

At a minimum, the offeror shall demonstrate the following:

- (a) Initial audit planning designed to develop an understanding of the entity.
- (b) An anticipated methodology directly addressing the CFO and GMRA audit objectives, as defined in OMB Bulletin 93-06, of determining whether the entity's principal financial statements are fairly presented in all material respects, of assessing and testing the entity's internal controls, and determining the entity's compliance with laws and regulations.
- (c) An audit approach that indicates what reports will be prepared in accordance with Generally Accepted Government Auditing Standards and OMB Bulletin 93-06, on information presented in the Overview of the Reporting Entity and Supplemental and Financial Management Information or similar sections of the Annual Financial Statement.

At a minimum, the offeror must present a general audit approach demonstrating an audit methodology that meets the requirements of this RFP's Statement of Work, as specified in (a) through (c), above. The audit approach should indicate that initial planning, and control and substantive testing will be completed during the course of the audit and the specific reports required under the CFO Act, GMRA, and OMB Bulletin No. 93-06 and its ability to utilize the

auditing standards cited above and the requirements of OMB Bulletin 93-06.

**Subfactor 5B.** The offeror should discuss one or more audit problems (either of a technical, administrative and/or managerial nature) that did arise during any government financial statement audit, and describe the strategies for effectively dealing with these problems.

At a minimum, the offeror must discuss at least one potential problem.

#### L.4. TECHNICAL QUESTIONS

Offerors must submit all technical questions concerning this solicitation in writing to the Contracting Officer. Questions must be received in writing no later than 15 CALENDAR DAYS after the date of this solicitation. DOL/OIG will answer questions which may affect offers in an amendment to the solicitations. DOL/OIG will not reference the source of the questions. Authorization is granted to electronically transmit questions to the issuing office. **(THIS AUTHORIZATION IS NOT EXTENDED TO SUBMISSION OF PROPOSALS.)**

THE FACSIMILE NUMBER FOR THIS OFFICE IS (202) 219-9013

THE INTERNET ADDRESS IS [ktyoung@mindspring.com](mailto:ktyoung@mindspring.com)

#### L.5. SOLICITATION PROVISIONS INCORPORATED BY REFERENCE ( FAR 52.252.2) (JUN 1988)

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

These provisions are also available in full text on the internet at <http://www.gsa.gov/far/>

52.215-30	Facilities Capital Cost of Money.	SEP 1987
52.214-34	Submission of Offers in the English Language.	APR 1991
52.214-35	Submission of Offers in U.S. Currency.	APR 1991
52.215-5	Solicitation Definitions.	JUL 1987
52.215-7	Unnecessarily Elaborate Proposals or Quotations.	APR 1984
52.215-8	Amendments to Solicitations	DEC 1989
52.215-9	Submission of Offers.	FEB 1997
52.215-12	Restriction on Disclosure and Use of Data.	APR 1984
52.215-13	Preparation of Offers.	APR 1984
52.215-14	Explanation to Prospective Offerors.	APR 1984
52.215-15	Failure to Submit Offer.	JUL 1995
52.222-24	Preaward On-Site Equal Opportunity Compliance Review.	APR 1984
52. 222-46	Evaluation of Compensation for Professional Employees	FEB 1993

L.6 CONTRACT AWARD. (FAR 52.215-16) (OCT 1995)

(a) The Government will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the Government, cost or price and other factors, specified elsewhere in this solicitation, considered.

(b) The Government may (1) reject any or all offers if such action is in the public interest, (2) accept other than the lowest offer, and (3) waive informalities and minor irregularities in offers received.

(c) The Government intends to evaluate proposals and award a contract after conducting written or oral discussions with all responsible offerors whose proposals have been determined to be within the competitive range. However, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint.

(d) The Government may accept any item or group of items of an offer, unless the offeror qualifies the offer by specific limitations. Unless otherwise provided in the Schedule, offers may be submitted for quantities less than those specified. The Government reserves the right to make an award on any item for a quantity less than the quantity offered, at the unit cost or prices offered, unless the offeror specifies otherwise in the offer.

(e) A written award or acceptance of offer mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer shall result in a binding contract without further action by either party. Before the offer's specified expiration time, the Government may accept an offer (or part of an offer, as provided in paragraph (d) above), whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations conducted after receipt of an offer do not constitute a rejection or counteroffer by the Government.

(f) Neither financial data submitted with an offer, nor representations concerning facilities or financing, will form a part of the resulting contract. However, if the resulting contract contains a clause providing for price reduction for defective cost or pricing data, the contract price will be subject to reduction if cost or pricing data furnished is incomplete, inaccurate, or not current.

(g) The Government may determine that an offer is unacceptable if the prices proposed are materially unbalanced between line items or subline items. An offer is materially unbalanced when it is based on prices significantly less than cost for some work and prices which are significantly overstated in relation to cost for other work, and if there is a reasonable doubt that the offer will result in the lowest overall cost to the Government, even though it may be the low evaluated offer, or it is so unbalanced as to be tantamount to allowing an advance payment.

(h) The Government may disclose the following information in post-award debriefings to other offerors: (1) the overall evaluated cost or price and technical rating of the successful



offeror; (2) the overall ranking of all offerors, when any ranking was developed by the agency during source selection; (3) a summary of the rationale for award; and (4) for acquisitions of commercial end items, the make and model of the item to be delivered by the successful offeror.

**L.7. TYPE OF CONTRACT. (FAR 52.216-1) (APR 1984)**

The Government contemplates award of a fixed price indefinite quantity/indefinite delivery contract resulting from this solicitation.

**L.8. SERVICE OF PROTEST. (FAR 52.233-2) (AUG 1996)**

(a) Protests, as defined in Section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO), shall be served on the DOL Office of Inspector General Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from:

Kathleen Young

Hand-Carried Address:

U.S. Department of Labor  
Office of Inspector General  
Branch of Procurement - Room S-5508  
200 Constitution Avenue, N.W.  
Washington, D.C. 20210

Mailing Address:

U.S. Department of Labor  
Office of Inspector General  
Branch of Procurement - Room S-5508  
200 Constitution Avenue, N.W.  
Washington, D.C. 20210

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

**L.9. SUBMISSION OF PROPOSALS AND ALL OTHER FORMS OF CORRESPONDENCE**

Please submit all documents and correspondence to the following address:

Kathleen Young, Contracting Officer  
U.S. Department of Labor

Office of Inspector General  
Branch of Procurement - Room S-5508  
200 Constitution Avenue, N.W.  
Washington, D.C. 20210

OFFERORS ARE CAUTIONED THAT THE BID/PROPOSAL PROVISIONS WILL BE STRICTLY ENFORCED IN THE EVENT THAT BIDS/PROPOSALS ARE NOT RECEIVED AT THE DESIGNATED LOCATION BY THE DATE AND TIME SPECIFIED.

L.10. LATE SUBMISSIONS, MODIFICATIONS, AND WITHDRAWALS OF PROPOSALS  
(FAR 52.215-10) (MAR 1997)

(a) Any proposal received at the office designated in the solicitation after the exact time specified for receipt of offers will not be considered unless it is received before award is made and--

(1) It was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15<sup>th</sup>);

(2) It was sent by mail (or telegram or facsimile, if authorized) or hand-carried (including delivery by a commercial carrier) if it is determined by the Government that the late receipt was due primarily to Government mishandling after receipt at the Government installation;

(3) It was sent by U.S. Postal Service Express Mail Next Day Service-Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term "working days" excludes weekends and U.S. Federal holidays;

(4) It was transmitted through an electronic commerce method authorized by the solicitation and was received by the Government not later than 5:00 p.m. one working day prior to the date specified for receipt of proposals;

(5) There is acceptable evidence to establish that it was received at the activity designated for receipt of offers and was under the Government's control prior to the time set for receipt of offers, and the Contracting Officer determines that accepting the late offer would not unduly delay the procurement; or

(6) It is the only proposal received.

(b) Any modification of a proposal or quotation, including a modification resulting from the Contracting Officer's request for "best and final" offer, is subject to the same conditions as in subparagraphs (a)(1) through (a)(5) of this provision.

(c) The only acceptable evidence to establish the date of mailing of a late proposal or modification sent either by U.S. Postal Service registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date or the proposal, quotation, or modification shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors or quoters should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

(d) Acceptable evidence to establish the time of receipt at the Government installation includes the time/date stamp of that installation on the proposal wrapper, other documentary evidence of receipt maintained by the installation, or oral testimony or statements of Government personnel.

(e) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in paragraph (d) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors or quoters should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

(f) Notwithstanding paragraph (a) of this provision, a late modification of an otherwise successful proposal that makes its terms more favorable to the Government will be considered at any time it is received and may be accepted.

(g) Proposals may be withdrawn by written notice or telegram (including mailgram) received at any time before award. If the solicitation authorizes facsimile proposals, proposals may be withdrawn via facsimile received at any time before award, subject to the conditions specified in the provision entitled "Facsimile Proposals." Proposals may be withdrawn in person by an offeror or an authorized representative, if the representative's identity is made known and the representative signs a receipt for the proposal before award.

(h) If an emergency or unanticipated event interrupts normal Government processes so that proposals cannot be received at the office designated for receipt of proposals by the exact time specified in the solicitation, and urgent Government requirements preclude amendment of the solicitation or other notice of an extension of the closing date, the time specified for receipt of proposals will be deemed to be extended to the same time of day specified in the solicitation on the first work day on which normal Government processes resume. If no time is specified in the solicitation, the time for receipt is 4:30 p.m., local time, for the designated Government office.

PART IV - REPRESENTATIONS AND INSTRUCTIONS  
SECTION M - EVALUATION FACTORS FOR AWARD

M.1. GENERAL

This section establishes the criteria to be used for evaluation of all proposals received in response to this solicitation. These criteria will be applied to each offer to determine the successful offeror. The proposal will be evaluated in the light of the material and substantiating evidence presented in the proposal and not on the basis of what is implied.

The Government will make award to the responsible offeror whose offer conforms to the solicitation and is most advantageous to the Government considering cost or price and technical factors listed below. For this solicitation, technical quality will be given a *significantly* greater weight than cost/price.

Unnecessarily elaborate brochures or other presentations beyond that sufficient to present a complete and effective proposal are not desired. Elaborate art work, expensive paper and bindings, and expensive visual and other presentation aids are not solicited. Offerors should not submit firm experience information outside the time frames specified as these will not be evaluated and will provide a lower rating because the offeror did not follow the directions of the solicitation.

To facilitate evaluation, all proposals should follow the same general outline using, as a basis, the various components specified in this section of this solicitation. If there is any deviation, we recommend all offerors cross-reference their proposals to this section of the RFP and provide a copy with their proposal.

The Government may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain your best terms from a cost/price and technical standpoint.

M.2. PROPOSAL EVALUATION PROCESS

An evaluation procedure consisting of the following steps will be used. They are:

Step 1: Evaluation for compliance with the **MANDATORY TECHNICAL EVALUATION** criteria.

If an offer did not meet the mandatory minimum for each factor and sub-factor of the technical criteria, include the required information or the information is not readily available or identifiable in their proposal, the offer's proposal will be determined non-responsive to the RFP and will be eliminated from the evaluation. This evaluation will be performed only on the information submitted with the proposals and will not include oral or written requests for clarification.

Step 2: Technical evaluation against the **TECHNICAL EVALUATION AND RANKING** criteria.

This evaluation will be performed only on those proposals meeting the Mandatory Technical Criteria, and will not include oral or written requests for clarification. However, if an offer did not meet the mandatory technical criteria, include the required information, or the information is not readily available or identifiable in their proposal, the offer's proposal will be determined non-responsive to the RFP and will be eliminated from the evaluation.

Step 3: Evaluation of proposed **COST/PRICE**.

Establishment of the competitive range. Offerors determined to be outside the competitive range will be so notified.

Step 4: **ORAL DISCUSSIONS**, if necessary, with all offerors in the competitive range.

Following any discussions, offerors will be requested to submit a Best and Final Offer (BAFO).

Step 5: **FINAL TECHNICAL AND COST/PRICE** evaluations:

Award will be made to the responsible and technically acceptable offeror whose proposal is determined to be the *greatest value* to the Government, technical requirements, cost/price, and other factors considered.

**M.3. STEP 1 - MANDATORY TECHNICAL CRITERIA**

To be considered responsive and eligible for award, the offeror must meet ALL of the minimums for each factor and sub-factor of the technical evaluation factors and sub-factors listed in Step 2. If an offer does not meet the minimum mandatory technical criteria, include the required information, or the information is not readily available or identifiable in their proposal, the offer's proposal will be determined non-responsive to the RFP and will be eliminated from the evaluation and given no further consideration. This evaluation will be performed only on the information submitted with the proposals and will not include oral or written requests for clarification.

**M.4. STEP 2 - TECHNICAL EVALUATION AND RANKING**

Technical proposals meeting the mandatory criteria will be further evaluated and *ranked* against the technical evaluation factors stated.

Any proposal judged "unacceptable" will be rejected. An overall rating of "unacceptable" may result from one individual subfactor within a factor being rated unacceptable or from an aggregate

of factors rated on the whole as "unacceptable."

For this phase of the evaluation, the following conditions create a high probability that the proposal will be rejected as technically unacceptable. The proposal:

- (a) Fails in one or more material respects to respond to the proposal preparation instructions;
- (b) Does not contain required information;
- (c) Is unrealistic in terms of its technical commitments;
- (d) Lacks the required corporate or individual technical competence, especially experience required to audit Government financial statements and benefit programs;
- (e) Indicates failure to comprehend the complexities of the solicitation's requirements; or
- (f) Through one or a combination of factors, represents an unacceptable level of risk to achievement of the desired result.

Offerors' technical proposals, containing the material specified in this solicitation, will be reviewed, evaluated, and rated by members of a Source Selection Evaluation Board set up for this purpose. Proposals which are judged unacceptable and unable to be brought to a minimally acceptable level through negotiations will be rejected. Attempts will be made to negotiate marginal technical proposals to an acceptable level, but, if unsuccessful, these proposals will be rejected.

#### **Technical Evaluation Factors and Subfactors**

The following technical factors will be the basis for evaluation of the technical proposals.

1. Licensed Certified Public Accounting Firm
2. Technical Experience
3. Past Performance
4. Capability and Qualifications of the Proposed Audit Team
5. Audit Approach and Work Plan

#### **FACTOR 1: LICENSED CERTIFIED PUBLIC ACCOUNTING FIRM**

The offeror must be a certified public accounting firm, licensed in one or more states to provide audit services and in good standing with the AICPA, State Boards or other regulatory body.

At a minimum:

(a) The offeror must provide evidence that they are a licensed certified public accounting firm in at least one state and in good standing in all states.

(b) Offerors should have no instances of alleged substandard work as evidenced by reports to State licensing bodies made on or after January 1, 1990, or provide a brief summary and copies of all such reports, including any letter or comment and/or related response for any of the key personnel on the proposed audit team. Each offeror must prepare Proforma Schedule I (Attachment A) in Section J - Attachments.

**FACTOR 2 - TECHNICAL EXPERIENCE:**

This factor considers how relevant this past work is in relation to the work required by this solicitation (technical experience). The evaluation of technical experience will consider:

**Subfactor 2A:** Experience in performing full scope financial statement audits.

(a) Experience in performing full scope financial statement audits for Federal, state or local agencies or Federal corporations, and/or large private sector clients. Audits for the private sector clients shall have been prepared in accordance with generally accepted auditing standards and those for Federal, state or local entities shall have been prepared in accordance with the standards for financial audits contained in the Generally Accepted Government Auditing Standards (i.e., chapters 3, 4 and 5 of the "Yellow Book").

(b) At a minimum, the offeror must demonstrate experience in performing at least one full scope financial statement audit prepared in accordance with the standards for financial audits contained in the Generally Accepted Government Auditing Standards for a Federal, state or local entities. The audit shall have been, within the past 3 years in accordance with those auditing standards cited above. Each offeror must prepare Proforma Schedule II.

**Subfactor 2B:** Professional expertise/capability indicating the ability to accomplish the Statement of Work.

(a) Professional expertise/capability in the following areas indicating the ability to perform the work described in the Statement of Work.

1. Auditing Automated/Electronic Accounting and Financial Management Systems
2. EDP Auditing Techniques
3. Identifying Relevant Laws and Regulations and Assessing Compliance

4. Statistical Sampling

(b) At a minimum, the offeror must demonstrate through narrative descriptions/discussions that it has expertise/capability in all areas described above and make a positive statement of affirmation that the expertise/capability described/discussed in its narrative will be made available to perform the work described in the Statement of Work of this solicitation.

**Subfactor 2C: Quality Control:**

(a) The results of the offeror's most recent peer review report, including any letter of comment and the firm's response.

(b) A positive statement of affirmation that all licensed staff who will be assigned by the offeror to perform the work describes the Statement of Work of this solicitation are in good standing with all applicable state boards of accountancy or state licensing boards, and the AICPA.

(c) At a minimum, an offeror must have had at least one peer review conducted during the 3-year period beginning January 1, 1994 through December 31, 1996, that did not result in an adverse opinion. A copy of the firm's most recent peer review report, including any letter of comment and/or related response shall be provided.

**FACTOR 3 - PAST PERFORMANCE:**

This factor considers how the offeror has performed in the past (past performance) and how relevant this past work is in relation to the work required by this solicitation (technical experience). A sample of these individuals will be contacted to provide an overall assessment of your firm's contract performance. (Note: The Source Selection Evaluation Board (SSEB) must be able to reach at least 3 of the references provided within a reasonable amount of time; i.e., 2 weeks after the first attempt.) Assessment of offeror's past performance will be one means of evaluating the credibility of the offeror's proposal, and relative capability to meet performance requirements.

Evaluation of past performance will be based on the references described in Section L.3.

The following considerations will apply to the evaluation of past performance:

(a) Quality of Product or Service: compliance with contract requirements, accuracy of reports, and technical excellence; initiative in meeting requirements, response to technical direction, and responsiveness to performance problems.

(b) Timeliness of Performance: met interim milestones - reliable- responsive to technical direction - completed on time, including wrap-up and contract administration - no liquidated damages assessed.



(c) Cost Control: within budget - current, accurate, and complete billings - relationship of negotiated costs to actual cost - cost efficiencies.

(d) Business Relations: effective management - effective small/small disadvantaged subcontracting program - reasonable/cooperative behavior - flexible - business-like interest for the Government's interests.

(e) Customer Satisfaction: satisfaction of end-users with the Contractor's services.

(f) Awards: receipt of widely-recognized quality awards or certifications.

Evaluation of past performance will often be quite subjective based on consideration of all relevant facts and circumstances. It will include a determination of the offeror's commitment to customer satisfaction and will include conclusions of informed judgment. However, the basis for conclusions of judgment will be documented.

If discussions are held, offerors will be given an opportunity to address unfavorable reports of past performance, if the offeror has not had a previous opportunity to review the rating. Recent contracts will be examined to ensure that corrective measures have been implemented. Prompt corrective action in isolated instances may not outweigh overall negative trends.

If an offeror or the proposed employees for the offeror, do not have a past performance history relating to this solicitation, the offeror will not be evaluated favorably or unfavorably on this factor.

If an offeror chooses not to supply the past performance information requested in Section L.3. and the Government becomes aware that the offeror, in fact, has relevant past performance information, the Contracting Officer may consider the offeror to be ineligible for contract award.

**Subfactor 3A: At a minimum:** Each offeror must prepare Proforma Schedule II(Attachment B) found in Section J-Attachments.

**Subfactor 3B: At a minimum:** In addition, statements on the quality of a firms audit work from at least three major audit customers *and* any work with a Federal Office of Inspector General from the last year should also be provided on the customer's letterhead. The offeror should also include a listing of the staff that worked on these projects to be compared to the proposed audit team members experience and qualifications.

#### **FACTOR 4-CAPABILITY & QUALIFICATIONS OF THE PROPOSED AUDIT TEAMS**

The proposal should demonstrate that the offeror has sufficient resources to readily and competently perform the work described in the Statement of Work.

If an offeror, or the key personnel on the proposed audit team, does not have a past performance history, does not have a history of quality audit work, ***or there is little or no relationship to the key personnel with the prior audit experience and the key members of the proposed audit team***, the offeror's proposal will be determined non-responsive to the RFP and will be eliminated from the evaluation and given no further consideration.

The evaluation of the capability and qualification of the proposed audit team will consider:

**Subfactor 4A:** The ability to provide staffing resources.

(a) The offeror must be able to provide a sufficient number and mix of professional personnel by labor category as is necessary to provide the minimum level of service during a year. The offeror should estimate total staff resources required for a year for all firm business and the percentage of the firms total staff resources to be provided by the proposed audit team.

(b) At a minimum, The offeror should list the amount of time in hours for each member of the proposed audit team and how they will support the following minimum required available hours:

<u>Labor Category</u>	<u>Hours</u>
Partner	1,000
Manager	2,000
Senior	3,000
Staff	6,000
IT Specialist	1,000
Audit Specialist*	
Total	<u>13,000</u>

\*The firm should list the audit specialists that it will be able to provide.

**Any firm not being able to provide enough staff for each labor category will be determined non-responsive to the RFP and will be eliminated from the evaluation and given no further consideration.** All offerors should affirm that they do not have a record of substandard audit work for your key personnel (partners, managers, seniors, ADP specialist, audit specialists) on the proposed audit team.

The following subfactor requirements are summarized on the Labor Category Requirements Chart found as Attachment E in Section J - Attachments.

**Subfactor 4B.** The audit team's positions and years of auditing experience with the firm or other Independent Public Accountants;

At a minimum, the Offeror must present the resumes for the individuals proposed. The minimum total number of years of auditing experience for persons assigned to this audit is 7 years for partners, 5 years for managers, 3 years for seniors and 3 years for ADP auditors.

**Subfactor 4C.** The audit team's experience of the type requested by this RFP, including Federal, state or local government agencies or Federal corporations.

At a minimum, the offeror must present all information demonstrating that audit team members auditing Federal, state or local agencies or Federal Corporations have experience of 3 years for partners, 2 years for managers, and 1 year for seniors.

**Subfactor 4D.** The audit team's education (including college degrees, advanced degrees/JD, professional certifications) and training (including a list of the types/description of continuing education courses and total hours for each of the past 3 years).

At a minimum, everyone assigned to this audit team must have a 4 year college degree and shall have met the continuing education requirement of the Generally Accepted Government Auditing Standards for the most recent two calendar years and all of the audit team's partners and managers are CPA's and the seniors and staff are either CPAs or meet the CPA educational requirements in the state where employed.

**Subfactor 4E.** The audit team's membership in professional organizations, books or articles published, speeches given or awards received, all of which must be related to the field of accounting and/or auditing.

At a minimum, information provided must demonstrate that at least 50% of the audit team to be assigned to the audit are members of recognized professional organizations; e.g., AICPA, AGA, NAA. Additional consideration will be given where those members of the audit team have also published an article in a professional journal or equivalent; e.g., The Journal of Accountancy; taught or lectured on accounting or auditing issues through a university, professional society, training institution or in-house training program.

If members of the proposed audit team do not meet the minimum qualifications as specified above they will be eliminated from the offerors proposal and will be removed as support for any other areas of the offerors proposal where the individual is used to support the RFP requirements.

## **FACTOR 5 - AUDIT APPROACH AND WORK PLAN**

The offeror must demonstrate an understanding of the scope of the work to be done and a sound technical approach.

**Subfactor 5A.** Knowledge and understanding of the reporting requirement described in the CFO Act, GMRA and OMB Bulletin 93-06 and indication of the offeror's ability to utilize generally

accepted auditing standards, Generally Accepted Government Auditing Standards for financial statement audits, and the requirements of OMB Bulletin 93-06.

At a minimum, the offeror's technical approach to meet the following:

- (a) Initial audit planning designed to develop an understanding of the entity.
- (b) An anticipated methodology directly addressing the CFO and GMRA audit objectives, as defined in OMB Bulletin 93-06, of determining whether the entity's principal financial statements are fairly presented in all material respects, of assessing and testing the entity's internal controls, and determining the entity's compliance with laws and regulations.
- (c) An audit approach that indicates what reports will be prepared in accordance with Generally Accepted Government Auditing Standards and OMB Bulletin 93-06, on information presented in the Overview of the Reporting Entity and Supplemental and Financial Management Information or similar sections of the Annual Financial Statement.

At a minimum, the offeror must present a general audit approach demonstrating an audit methodology that meets the requirements of this RFP's Statement of Work, as specified in (a) through (c), above. The audit approach should indicate that initial planning, and control and substantive testing will be completed during the course of the audit and the specific reports required under the CFO Act, GMRA and OMB Bulletin No. 93-06 and its ability to utilize the auditing standards cited above and the requirements of OMB Bulletin 93-06.

**Subfactor 5C.** Strategy for dealing with potential problems that could impact audit opinions or deliverable deadlines. The offeror should discuss one or more audit problems (either of a technical, administrative and/or managerial nature) that did arise during any Government financial statement audit, and describe the strategies for effectively dealing with these problems.

At a minimum, the offeror must discuss at least one potential problem.

#### M.5. STEP 3 - EVALUATION OF THE COST/PRICE PROPOSAL

Cost/price will be evaluated separately. The Business Management Proposal will be evaluated on the basis of the aggregate total price for the total requirement for full scope financial statement audits and other audit services over the projected contract life. Estimated travel costs and hourly rates for other related professional services will not be evaluated.

Offerors may quote any trade and/or special discounts that they desire to offer to the Government. All trade and/or special discounts, except prompt payment discounts, will be considered in the evaluation of offers.

Technical merit is significantly more important than cost. The Government reserves the right to

award a contract to a technically superior offeror who is higher in cost. When technical proposals are evaluated as essentially equal, cost may be the deciding factor.

#### M.6. STEP 5 - EVALUATION OF RESPONSIBILITY

You must be determined to be a responsible offeror in accordance with the standards in the Federal Acquisition Regulation (FAR), Part 9, to be eligible for contract award.

#### M.7. STEP 5 - CONTRACT AWARD

The Government will make award to the responsible offeror whose offer conforms to the solicitation and is most advantageous to the Government, technical factors and cost or price considered. For this solicitation, technical expertise and ability to perform the task are significantly greater than cost or price, however, as offers become more equal in their technical merit the evaluated costs or prices become more important. The Government reserves the right to make award based on the expectation of superior performance based on technical quality, regardless of an offeror's cost or price relative to other offers.

Offerors will be evaluated for award based only on their technical and price proposals.

Offerors are on notice that proposals which are unrealistic in terms of technical commitment or lack of technical competence, or indicative of failure to comprehend the complexities and risks of the solicitation requirements, will be rejected. Proposals below an acceptable level on any one technical factor will result in the offer being determined unacceptable. Acceptable technical proposals will be evaluated for price.

The Government reserves the right to make on-site inspections for verification of offeror's technical qualifications.

Award will be made to the responsible and technically acceptable offeror whose proposal offers the ***greatest value*** to the Government, technical requirements, cost/price, and other factors considered.

The Government may:

- a) reject any and all offers;
- b) accept other than the lowest offer; and waive information and minor irregularities in offers received.

The Government may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain your best terms from a cost/price and technical standpoint.

The Government retains the right to award or to extend this contract for a period of less than 12 months.

M.8. MULTIPLE CONTRACT AWARDS WILL BE MADE AS A RESULT OF THIS SOLICITATION.

M.9. SOLICITATION PROVISIONS INCORPORATED BY REFERENCE ( FAR 52.252.2) (JUL 1988)

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

These provisions are also available in full text on the internet at <http://www.gsa.gov/far/>

52.214-24	Multiple Technical Proposals	APR 1984
52.215-34	Evaluation of offers for Multiple Awards	MAR 1990

M.10. EVALUATION OF OPTIONS (FAR 52.217-5) (JUL 1990)

Except when it is determined in accordance with FAR 17.206(b) not to be in the Government's best interests, the Government will evaluate offers for award purposes by adding the total price for all options to the total price for the basic requirement. Evaluation of options will not obligate the Government to exercise the option(s).